



GOVERNMENT OF INDIA
COMMITTEE ON UNEMPLOYMENT

REPORT
OF
THE WORKING GROUP
ON
PLAN

VOLUME-I

VIGYAN BHAVAN ANNEXE, NEW DELHI
OCTOBER, 1972

CONTENTS

PAGES

INTRODUCTION

1. Appointment and Terms of Reference	47
2. Functioning, Meetings and Recording of Evidence	48
3. Scheme of the Report	49
4. Acknowledgements	49

PART I

PLAN APPROACH TO EMPLOYMENT GENERATION IN INDIA

1. Introduction	51
2. Conceptual Approaches to Full Employment under the Plan	52
Scope and Limitations	52
Employment Policies of the Five year Plans	52
Perspective on the Sectoral Distribution of Employment	57
Approach to Employment Generation in Project Formulation under the Plans	59
3. Plan and the Problems of Project Implementation	62
4. Project Implementation in the Context of Manpower Planning and Family Planning	65
5. Educational Planning and Employment	68
6. Manpower Planning and Educational Planning	72
7. Spatial Planning and Employment Generation	75
The Postulations of the Annual Plan, 1972-73	75
Aspects of Industrial Planning and Employment Growth	76
Importance of Town and Country Planning	77

PART II

AN EXAMINATION OF THE ONGOING CENTRAL SCHEMES UNDER THE FOURTH FIVE YEAR PLAN

1. Introduction	79
2. Agricultural Development and Employment Generation	81
Introduction	81
The Small Farmers Development Agencies, Marginal Farmers and Agricultural Labourer Agencies, Crash Scheme for Rural Employ- ment	82
Schemes for the Development of Infrastructural Facilities like Roads and Regulated Markets	90

GOVERNMENT OF INDIA
EXPERT COMMITTEE ON UNEMPLOYMENT
VIGYAN BHAVAN ANNEXE, NEW DELHI

ARJUN ARORA,
Chairman,
Working Group on Plan.

D. O. No. Plan/22/72-ECU (Tech)

Dated 24th October, 1972.

My dear Bhagavatijee,

I am presenting the Report of the Working Group on Plan. The Group functioned for a period of ten months from January, 1972 and concentrated on the second term of reference read in the context of the third term of reference of the Committee.

2. The work of the Group was a satisfying experience as there was complete harmony and understanding. Ours is, therefore, an unanimous report. We feel that the Group's report, when printed and diffused to all concerned, will generate some lively interest on a number of issues connected with the strategies of planning and employment generation. I have received full cooperation from all the members of the Group and able assistance from the hard working Secretariat in the preparation of this report and its presentation in time.

With kindest regards,

Yours sincerely,

ARJUN ARORA

SHRI B. BHAGAVATI, M. P.
Chairman,
Expert Committee on Unemployment,
Vigyan Bhavan Annexe,
New Delhi.

REPORT OF THE WORKING GROUP ON PLAN

	PAGES
MAIN CONCLUSIONS AND SUMMARY OF RECOMMENDATIONS	1—46
INTRODUCTION	47—50
PART I	
PLAN APPROACH TO EMPLOYMENT GENERATION IN INDIA .	51—78
PART II	
AN EXAMINATION OF THE ONGOING CENTRAL SCHEMES UNDER THE FOURTH FIVE YEAR PLAN	79—200
PART III	
BASIC ISSUES OF INDIAN PLANNING IN RELATION TO EMPLOYMENT GENERATION	201—222
APPENDICES	223—425



Drought Prone Programme	92
Some Observations on Master Plans and Rural Works Programmes	92
The Prospect of Employment oriented Agricultural Development under the Fifth Plan	95
The New Importance of Dry Favuring	97
Need for Dovetailing Academic Studies with those of Government Agencies	97
Problems of Widening Participation in SFDA and MFALA Programmes	98
Some Lingering Problems of Indian Agricultural Development	99
Deterioration of Man/Land Ratios	100
Rural Works Programme	101
The Problem of Casual Agricultural Labour	102
Tractorisation and Mechanization and their Impact on Agricultural Labour	103
Employment in Agricultural Research, Extension and Training	105
Economic planning and Data Requirements	106
3. Power Development and Employment	107
Generation Energy for Agricultural Development	107
Power for Industrial Use	110
4. Employment Generation in Transport and Communications	113
Railways	113
Road Construction, Expansion of Road Transport and Employment Generation	116
Road Transport	122
Metropolitan Transport	125
Ports	126
Shipping, Shipbuilding, Lighthouses, etc.	126
Inland Water Transport	127
Civil Air Transport	135
Tourism	135
Pipelines	136
Communications	136
Broadcasting and Television.	136
5. General Schemes for the Educated Unemployed. by various Ministries (Education, Industrial Development, etc.)	137
Scheme for Providing 100 per cent Central Assistance to States Employing 30,000 Teachers and 240 Inspectors by Expanding Primary Educational Institutes	137
Scheme for Training Graduate Engineers and Diploma Holders	138
Scheme on Intensive Training for the Promotion of Self-employment of Industrial Training Institute Certificate Holders and Apprentices	139
6. Scheme for the Educated Unemployed in Industrial and Agro-Industrial Undertakings	143

Scheme for Agro-Service Centres	144
Financial Assistance to Engineer-Entrepreneurs for Setting up Industries	145
Scheme for Engineering Cooperatives	146
Commercial Estates	147
Scheme for the Development of Industrial Estates	147
An Overall View of Industrial Schemes for the Educated Unemployed	149
Self-employment Schemes of the Indian Oil Corporation	150
Agro-based Industries	151
7. Interdisciplinary Approaches to Project/Scheme Formulation for Employment Generation	153
General observations	153
Rural Engineering Surveys	153
Scheme for Setting up Planning Design Units for Water Supply Schemes	159
8. Employment Generation in Health and Family Planning Programmes .	162
9. Employment Generation in Housing	166
10. Aspects of Employment Generation through Social Welfare Schemes .	179
11. Aspects of Planning Self-employment	185
For Graduates and Post-graduates in various disciplines	185
Need for Consultancy Services for Promoting Self-Employment in Small-Scale Industries	188
Aspects of Planning Self-Employment for matriculates, Craftsmen etc.	192
Creation of Employment through the Organisation of Youth Corps .	197
Mysore	198
Tamil Nadu	198
Some Observations on the Schemes of Youth Corps	199

PART III

SOME BASIC ISSUES OF THE FIFTH PLAN STRATEGY FOR EMPLOYMENT GENERATION

1. Growth Economics and Employment	201
2. General Observations	204
3. Physical versus Financial Planning in the Context of the Formulation and Implementation of Projects	205
4. Need for an Employment Plan	207
5. Mobilisation of Resources	207
6. The Importance of Class View points on Employment Generation .	211
7. The Sectoral Approach	213
8. Special Attention Needed for the Tertiary Sector	214
9. Trade and Commerce	214

10. Processing of Raw Material for Export	215
11. Dispersal of Industries	216
12. Employment in Shops and Commercial Establishments	216
13. Planning Processes and Participation of the Labour Force	217
(a) Participation and Involvement of the People in Planning	217
(b) Participation of Workers' Organisations in Planning at Various Levels	219
APPENDICES	223-425



MAIN CONCLUSIONS AND SUMMARY OF RECOMMENDATIONS

PART I

Plan Approach to Employment Generation in India

1. We agree with the general view that full employment is the most desirable goal of economic policies for the country. But the constraints in attaining this in India are well known. Under existing Indian conditions, the main problem is to render the citizen economically active and promote his economic and social rationality to move in step with the planning measures aimed at increasing the rate of economic growth and assuring social justice.

(Para 2.6)

2. The First Five Year Plan had rightly recognised the need of maximum utilisation of idle manpower for development and of providing larger employment on rising levels of real income by increasing labour productivity.

(Paras 2.8 and 2.9)

3. That policy holds substantially true even to-day. Labour intensive programmes were launched only during the second half of the Fourth Plan period, not earlier. But productivity of labour is still hampered by lack of workers' education and organisational deficiencies. The absence of an incomes and wages policy might be a contributory factor for this situation.

(Para 2.11)

4. Technological changes in organised industry have only marginally affected levels of employment. Capital investment was not properly spread to sustain employment opportunities because of rapid formation of monopolies. Investment in agriculture was also, comparatively, at a lower level. Expansion of non-agricultural occupations was much smaller than the increase in the labour force.

(Para 2.12)

5. There has been no evaluation of Plan investments from the standpoint of employment generation. The Programme Evaluation Organisation of the Planning Commission should be geared up for this purpose.

(Para 2.13)

6. The unemployment problem has been highlighted in relation to a few sectors only—organised industry and the educated in the urban areas. This has distorted the perspective. Unemployment in all sectors of the economy should receive equal attention.

(Para 2.14)

7. The study of problems of unemployment in India has been largely influenced so far by concepts and definitions applied to industrial employment in developed countries. The problem needs to be studied differently. The temporal attitudes, the different agricultural seasons, the

general ecology and infrastructure of the particular area and the human characteristics etc., should be taken into account while formulating concepts for measuring employment on economic activity in India.

(Para 2.15)

8. If the general economic activity is accelerated through productive and gainful employment, the phenomenon of joblessness/worklessness could be kept under control.

(Para 2.16)

9. The Planning Commission should study the valuational problems involved in estimating social benefits/costs of plan projects from the employment standpoint.

(Para 2.18)

10. The extent of employment generated by a project and the sustenance of at least a part of this employment later through maintenance works etc., are two very important aspects which should always be kept in view.

(Para. 2.19)

11. Since the Annual Plan 1972-73, special schemes for employment generation have got submerged in a mixture of projects. There is need for proper coordination at various levels to see that the employment aspect does not suffer.

(Para 2.20)

12. The labour saving capital intensive industries should be properly inter-related with other sectors so that capital formation could be cumulatively accelerated at a higher rate ploughing back additions to national income resulting in a general increase in the rate of growth as well as increase in the levels of productive employment.

(Para 2.21)

13. The Planning Commission should work out employment norms for Fourth Plan programmes as early as possible.

(Para 2.22)

14. Projects should be formulated not at 1960-61 prices, but at more realistic price levels.

(Para 2.23)

15. (a) New capital-output and capital-labour ratios should be worked out for the organised industry. The technique of calculating employment norms needs refinement. Employment norms should be worked out on a district/groups of districts/State bases. This would help the Planning Commission in evaluating employment generation programmes on the spatial axis involving the co-operation of two or more States towards the solution of a common problem.

(b) The efficiency of the performance of the State Bureaux of Economics and Statistics to deal with employment problems and research needs to be improved.

(Para 2.24)

16. The Planning Commission should lay down fresh criteria for project formulation in consultation with all Central Ministries and State Planning Departments etc.

(Para 2.27)

17. The Centre should evaluate the emergency employment schemes on the following three criteria suggested by the ILO:—

- (i) the speed and effectiveness with which the schemes create jobs in the area or where action is needed;
- (ii) the extent, nature and importance of the immediate, incidental (other) effects of the schemes;
- (iii) the nature and importance of the long-term effects of the schemes on economic and social development, and in particular on the long-term employment situation.

(Para 2.28)

18. In the absence of a specific employment oriented plan, economic projects have had no specific objective of employment generation as such.

(Para 2.30)

19. (a) Excessive importance attached to economic aspects of the projects have led to the neglect of human or social side of employment and the many-sided social problems resulting in labour disputes etc. Therefore, every employment oriented project should be primarily based on a pre-plan assessment of the physical resources of the area, particularly the socio-economic characteristics of the population to be covered. The tempo of the systematic and progressive build up of employment creation in the areas over the period of the project should be assessed.

(b) The increasing use of quantitative approaches in implementation has to be leavened by supplying the focus on the sociological aspects and evaluating the consequences of employment generation involving human labour.

(Para 2.31)

20. (a) Theoretical approaches of welfare economics do not assist us in India in employment problems.

(b) The extent of cross-subsidisation in industry and agriculture should be assessed as the general complaint about lack of adequate incentives by the producers in industry/agriculture is not borne out by the facts relating to profitability ratios in both sectors.

(Para 2.32)

21. (a) The family planning programmes have not adequately integrated the economic reasoning behind it in relation to employment and unemployment although they have sought to convey this in terms of the general welfare of the family.

(b) The importance of the growth of the total annual output and the stock of capital at a constant proportionate rate compounded at the rate of increase of labour force and the rate of increase of output per man is an extremely idealistic if unattainable goal and for the coming

years of the Fifth Plan period it is the improvement of social and economic rationality through the conscious limitation of family size that will supply it flesh and substance rather than feverish programmes at a tremendous cost of sterilisation among the ethnically robust sections of the people whose reproduction rate requires to improve rather than be artificially reduced. We agree that this is a debatable issue.

(Para 2.35)

22. There should be a central institution doing manpower analysis in relation to the general employment levels in the country. Its activities should form the basis for drawing up employment plans.

(Para 2.36)

23. (a) The Programme Evaluation Organisation data of bench mark coupled with Census data should increasingly assist employment project formulations to a greater extent than the surveys of the National Sample Survey Organisation.

(b) The State Planning Boards should be put on a permanent footing and strengthened to aid the planning process. For this purpose the Centre should take immediate steps to ascertain their requirements of personnel, material facilities and similar essential considerations.

(c) As soon as the detailed tables of the Census, 1971 and the latest NSS rounds are available, the data base of the States should be strengthened.

(Para 2.37)

24. Educational planning in India should produce a more economically active individual and not the anonymous entity of the unemployed man as at present.

(Para 2.38)

25. The aspect of vocationalisation in education should be neither underestimated nor overemphasised.

(Para 2.39)

26. At the elementary level (6 to 14 age group) the practical work within the classroom or outside should aim at making it a part of the curricula in order to promote a better understanding of what the children learn in school and what they see outside.

(Para 2.40)

27. (a) Liberal education should be reality-oriented to enable the students to become practical in their outlook.

(b) The general school education, not exceeding 11 years requires to be broad based on the liberal education covering arts, science, language, mathematics and practical work, unless this is bifurcated into a system of vocational training course.

(c) Vocational training courses should start after completion of liberal education which gives the students better preparation for undertaking and utilising vocational courses.

(Para 2.41)

28. It is necessary to bring about a transformation in the mental attitude of the student and not merely in his manual or professional orientations prematurely, without the preparatory phase of the former.

(Para 2.43)

29. A professional education of a highly vocational type can bring about a serious alienation of the minds of the medical graduates and others from the prevailing national realities. It is, therefore, necessary to bring the element of national purpose by the special reorientation of professional courses which are subject to this hazard.

(Para 2.44)

30. The task of educational planning should not stop at providing jobs for the educated but also extend to assessing the economic and social benefits derived by the society at large through such employment.

(Para 2.45)

31. Manpower planning has not adequately responded to the challenges of the situation and needs overhauling.

(Para 2.49)

32. Alongside manpower planning and employment generation the following aspects also need consideration: (a) economic regionalization of the State within whose matrix the project-district figures, (b) the geographically conditioned labour market of the area and the mobility of labour within it as between agriculture and industry, and (c) the general level of patterns of employment within the district governed by the percentage of backward communities, absentee landlords, absence of industry and similar indicators of backwardness.

(Para 2.52)

33. The technological developments in agriculture in recent years have a definite additive character to unemployment and cannot be explained away under planning. Corrective steps should be taken by the Government in supplying a proper focus to labour studies in relation to agriculture with emphasis on socio-economic characteristics.

(Para 2.55)

34. Market centres or market towns should be developed so that these could provide employment opportunities in agriculture, industry and commerce.

(Para 2.56)

35. The appointment of Task Force by the Planning Commission to promote a developmental inter-action and the consideration of various schemes that have a large employment potential is a step in the right direction and is welcomed.

(Para 2.57)

36. The move to replace segmental or partial approaches in development with holistic or integrated programmes aiming at spatial planning is welcomed.

(Para 2.60)

(b) Another recommendation of the Joint Workshop that Area Development Authorities should be set up to begin with in areas with already existing industrial complexes is endorsed.

38. Town and Country Planning Organisations should be involved in drawing up inter-related projects covering rural and urban areas under the Minimum Needs Programme spelt out in the paper "Approach to the Fifth Five Year Plan", to which rural housing should be added.

39. The practice of giving 100 per cent grants to the States for preparation of urban and regional plans should be revived so that the State Governments may move in consonance with the spirit and requirements of a national policy on urbanisation through proper town and country planning.

(Para 2.65)

PART II

An Examination of the Ongoing Central Schemes Under the Fourth Five Year Plan

40. The problem of absorbing matriculates in suitable jobs constitutes the veritable core of employment strategy for the coming years.

(Para 3.1)

41. Unemployment among the matriculates and the scientific and technical personnel has a pervasive effect on the morale of the country. Their absorption, therefore, is very important.

(Para 3.2)

42. Delayed provision of infrastructural facilities has hampered implementation of employment schemes in many States. The non-utilisation of funds earmarked and sanctioned for schemes to the full extent is clear indication of operational difficulties.

(Para 3.3)

43. Full details of the stages upto which the Central schemes have been implemented, the extent of utilisation of funds and the evaluation of the major difficulties encountered at the initial stages were not available. This was a big handicap faced by the Working Group.

(Para 3.4)

44. All employment oriented schemes should have adequate supporting statistical bases. Employment generation through a scheme should be well defined in terms of economic, financial and organisational criteria to produce desired results.

(Para 3.5)

45. The new agricultural strategy embodied in the Fourth Plan is a significant departure from previous efforts and emphasises, inter alia, the provision of productive and gainful employment to the rural population.

(Para 4.0)

46. The disaggregated approach outlined in the Planning Commission's Paper, "Approach to the Fifth Five Year Plan" is welcome.

(Para 4.1)

47. The recommendations and detailed findings of the National Seminar held in New Delhi between April 11-13, 1972 on the SFDA/MFALA Schemes are endorsed.

(Para 4.4)

48. The SFDA Scheme should be continued in the Fifth Plan period and extended to all the 225 industrially backward districts identified so far.

(Para 4.5)

49. (i) The SFDA and MFALA can adopt the area development approach. (ii) The Agencies should see that infrastructural facilities are

available at the places where the programmes have to be implemented.
(iii) The Agencies should function in close co-operation with the State Governments and Administrations of the Union Territories.

(Para 4.6)

50. The procedure of identification of small farmers should be streamlined and made uniform throughout the country leaving no scope for favouritism and malpractices. These should be viewed before the end of the Fourth Plan period. For this purpose, regional workshops of the SFDA may be organised.

(Para 4.7)

51. (i) The recommendation of the National Seminar that as far as possible small compact areas or blocks should be selected is endorsed.
(ii) The criteria adopted in the Annual Plan, 1972-73 for integrated rural development whereby the location of the SFDA or MFALA in a district has been included is endorsed.

(Para 4.9)

52. (a) There is duplication of effort as two or three different agencies within the same IADP district are implementing the SFDA and MFALA. This should be checked.

(b) To implement and coordinate the SFDA and MFALA programmes, high level officials should be more intimately involved along with the project officers.

(Para 4.11)

53. (a) The State Governments should give importance to the co-ordination of the SFDA/MFALA programmes with their other ongoing programmes in an area.

(b) The employment exchanges should have complete information about all the educated categories employed in the various projects in an area/districts.

(Para 4.12)

54. For the success of the subsidiary occupations included in the SFDA and MFALA projects, arrangements should be made for supply of high yielding breeds of cattle and fodder, provision of veterinary services and marketing and cold storage facilities.

(Para 4.13)

55. To have integrated rural development administered by one agency, the SFDA and MFALA programmes should be merged.

(Para 4.14)

56. Under the CSRE wage payments should be made more flexible to include wages in kind also.

(Para 4.15)

57. The recommendation of the Interim Report that the allocation of funds should not be uniform for each district but allocated after taking into account its population, state of agricultural development and other relevant factors is endorsed.

(Para 4.16)

58. The recommendation of the Interim Report that the organization for the implementation of the CSRE should be strengthened and pilot projects in small compact areas should be undertaken in selected districts as action-cum-study programmes so that the problems faced under different conditions may provide guidance for planning more comprehensive programmes of employment and infructuous expenditure avoided is endorsed.

(Para 4.17)

59. Before formulating schemes of the nature of the CSRE efforts should be made to conceive pilot projects in suitable areas. Unless this is done much of the expenditure incurred will be infructuous.

(Para 4.18)

60. Evaluation of the CSRE should be undertaken and the problems and difficulties encountered in implementation of the scheme should be attended to.

(Para 4.19)

61. (a) The salient features of the Rural Employment Guarantee Scheme of the Maharashtra Government should be incorporated in the CSRE during the Fifth Plan period.

(b) The Fifth Plan should embody the strategy of systematisation of employment planning at the District and State level and the reinforcement of local finance of panchayats through appropriate methods.

(Para 4.20)

62. The scheme for Rural Works and Labour Intensive Activity in the chronically drought affected areas should be systematically evaluated before its continuation in the Fifth Plan period.

(Para 4.23)

63. The evaluation of the schemes for the development of infra-structural facilities like roads and regulated markets, started in 1969-70, should be completed before the end of the Fourth Plan period.

(Para 4.26)

64. The survey of regulated markets conducted by the Directorate of Marketing and Inspection, Department of Agriculture is closely related to the reorganisation of the distributive trade in the country. The implications of employment generation should be studied in relation to internal trade organization, export sector etc.

(Para 4.27)

65. Because of the success of the green revolution, more attention should be paid to Growth Centres and market towns in district planning during the Fifth Plan period.

(Para 4.28)

66. To make the Drought Prone Areas Programmes successful, the district officials should draw up master plans which could be dovetailed into some kind of long term plans of the district which should be given special attention in the Fifth Plan period.

(Para 4.31)

67. Master plans for rural works are usually drawn up by the Project Officer who is generally the District Collector. As the District Collector is the most busy officer in the district, he is not in a position to do full justice to all the minute details of the drawing up of the plan. The possibility of seconding him with the officers of the Indian Economic Service may be examined.

(Para 4.33)

68. To have accurate statistical data to back the district Master Plans, the possibility of posting members of the Indian Statistical Service to the State Bureaux of Economics and Statistics should be explored. The Project Officers should be provided with guidelines for adopting multi-disciplinary perspectives to have an overall view of the totality of the social and economic life prevailing in the district.

(Para 4.34)

69. In cases where the Master Plans have been prepared before the implementation of the Rural Works Programme, wherever a multi-disciplinary approach is possible, it should be adopted for improving the contents of the master plans in keeping with the mix of the programme.

(Para 4.35)

70. In the preparation of master plans and the implementation and evaluation of employment intensive schemes the administrative officers should be involved in all data collecting agencies so that they acquire the requisite insight into the socio-economic life of the district.

(Para 4.36)

71. The issues of employment generation in the countryside cannot be divorced from labour conditions in the rural areas which had been subordinated to the basic issues of enlarging the scope and coverage of the new agricultural technology.

(Para 4.38)

72. Over 30,000 farming cooperative societies should be provided with Secretaries from among the degree holders of the educated unemployed during the Fifth Plan period.

(Para 4.39)

73. To improve the employment potentials in the rural areas, studies for conversion of dry lands into wet lands may be undertaken by all the States concerned with the objective of minimising the risk of frequent failures of dry crops because of drought. These studies should be financed as Central schemes on 100 per cent grant basis during the Fifth Plan period.

(Para 4.40)

74. To explore the possibilities of additional employment for non-viable small farmers and landless labourers, large number of studies in land and tenancy reforms should be undertaken for effective policy formulations and there should be better coordination between Government research institutions and agricultural universities, agro-economic centres, the Indian Council of Agricultural Research etc.

(Para 4.41)

75. The main problem of widening participation in the SFDA and MFALA programmes is the comparative neglect by the Agencies of the existence of share croppers or the farmers who cultivated land on oral lease basis which has an important bearing on the question of viability of small farmers. The studies conducted by the Agricultural Credit Department, Reserve Bank of India in Purnea District and the SFDA in Mysore District have stressed the importance of devising measures by which full credit facilities and other inputs are provided to farmers who cultivate land on oral basis or share-cropping basis. The recommendations of the Talwar Committee should be implemented by the State Governments.

(Para 4.42)

76. With the rapid increase of population and only marginal additions to land through new acreage brought under cultivation and through multiple cropping, the man-land ratio has deteriorated. The new agricultural technology has been introduced keeping this fact in view. Therefore, the agricultural sector will hardly be in a position to create enough new employment opportunities for the swelling labour force. The absorption by the industry can at best be only a small fraction. However, the experience of the Khadi Village and Industries Commission and many other similar bodies has shown that sometimes artificial scarcity of agricultural products has been created on account of their development. To have a clear picture, a detailed study of the availability of labour force in each State for catering to both industrial and agricultural sectors should be undertaken according to their shifting requirements throughout the year.

(Paras 4.47 and 4.49)

77. Industrial development appears to have followed an erratic course without taking into consideration inter-sectoral problems of rural labour force. There should be proper manpower planning and a nexus should be created between industrial and agricultural labour force in all States.

(Para 4.50)

78. The rural works programme should be implemented vigorously to solve the problem of unemployment and under-employment of rural labour. It could be supplemented by rural electrification, inland water transport, coastal shipping, animal husbandry and land reclamation wherever feasible. The allocation for these programmes should not be diverted to other projects. If necessary, Central assistance should be stepped up to make up State deficits.

(Para 4.51)

79. Under the new agricultural strategy mechanisation has relegated the issues of human labour and employment problems to the background. It is said that the landless labourers and small farmers have derived little benefit and the profits have gone only to the richer farmers. These questions need to be examined by the Panel and the other Working Groups.

(Paras 4.52 and 4.53)

80. (a) The problems of tractorisation and labour displacement differ from area to area. The research studies conducted so far are not

balanced and require to be multi-disciplinary and nationally oriented for general policy formulations.

(b) The use of tractors is substantially a measure of agricultural development. Government should not slow down tractorisation and impede food production simply because of criticism based on uneconomic uses of tractors. Mechanisation should be introduced in areas where there is considerable educated unemployment, e.g., in the southern States.

(c) Rural house construction should be linked up with rural electrification and their mutual impact on employment generation ascertained through specific studies. For this purpose, developed tractorised areas should be given priority.

(Para 4.55)

(d) The Government should adopt a firm policy on tractorisation based on the realities prevailing in the country.

(Paras 4.54 and 4.55)

81. The recommendation of the National Commission on Agriculture regarding reinforcing the State Agricultural Departments by employing specialists, Extension Officers etc., is endorsed.

(Para 4.57)

82. From 1960, enormous data about Indian agriculture has been collected by the Government, private institutions and foreign based institutions. Their cumulative impact has not reflected on employment generation policies. A high level Committee should be appointed to bring out the need and lines of coordination in the collection of data among the various institutions.

(Para 4.59)

83. The Bureaux of Economics and Statistics in the States should be strengthened and there should be regular flow and feed back of information between the Central and State Governments.

(Para 4.60)

84. There may not be much direct employment potential in power schemes as such, but the availability of power would generate indirect employment potential.

(Para 5.3)

85. Adequate planning should be done and organisational measures instituted to achieve power targets. Detailed investigations of specific projects, taken up sufficiently in advance, offer substantial scope for gainful employment of engineers of different disciplines.

(Para 5.4)

86. Energisation of one industrial service can give employment to about four persons on an average. Potentialities of employment generation through rural electrification, therefore, appear to be very attractive.

(Para 5.5)

87. The recommendations of the Committee of members of Parliament about the working of the Rural Electrification Corporation are endorsed.

(Paras 5.9 and 5.10)

88. Greater attention should be paid to the acceleration of rural electrification in the backward States. The approach of the Ministry of Irrigation and Power in this regard is commended.

(Para 5.11)

89. To the extent breakdowns, industrial strikes and power crises are averted and power consumption in rural industries and agro-based industries encouraged, employment opportunities would increase. Re-opening of closed units of industries and multiplying the present number of shifts for fuller utilisation of capacity are directly related to more employment.

(Para 5.13)

90. Reduction in transmission losses through the use of modern equipment and methods should receive the urgent attention of the Ministry of Irrigation and Power, through modification of the Electricity Act, if necessary.

(Para 5.14)

91. High consumption of electricity in the rural areas confers several intangible and indirect benefits which have welcome effects on working time schedule, improvement of working hours of industrial units and improvements in the reading habits of the people, greater participation in community institutions and the general face lift of the villages.

(Para 5.16)

92. An evaluation of employment generation through rural electrification after 1965 should be undertaken by the Programme Evaluation Organisation, Planning Commission with special reference to the scope for expansion of the present scheme during the Fifth Plan period.

(Para 5.17)

93. According to current employment norms, an investment of rupees one crore in minor irrigation, generates employment of 1.3 million man-days. An investment of Rs. 1,470 crores during the Fifth Plan period would generate employment of over 1,900 million man-days. If the outlay is doubled, employment generated would be over 3,800 million man-days.

(Paras 5.18 & 5.19)

94. The railways should take greater interest in the collection of statistics of labour employed by the contractors doing railways' work. As most of them are rural landless labour, the Railway Board should bring out in clear terms the benefit accruing to the rural communities through their employment.

(Para 6.1)

95. (a) Apart from studying transport economics for which the Railway Board has established a chair in the Delhi University, the Board should commission studies by the universities or by the Indian Council of Social Science Research to carry out surveys of all types of rural labour employed in the railways, their socio-economic characteristics and the social benefit accruing to the community in particular areas in this way.

(b) The experience of the railways in recruiting casual labour will throw light on the basis of creating a land army in areas having abundant unemployed labour which could be utilised for rural reconstruction programmes.

(Para 6.2)

96. It is important to collect statistics of casual labour employed by the railways. The provision of housing to casual labour should be examined by the Railway Board.

(Para 6.3)

97. Construction of houses for the railway staff, their renovation, expansion etc., can give employment to a large number of persons in the secondary and tertiary sectors of the surrounding urban areas and villages. This matter should receive the special consideration of the Railway Board. Special studies on the subject may be undertaken.

(Para 6.4)

98. The railways provide educational, medical and health facilities for their staff at considerable cost. These are appreciated. The railways should strengthen these activities for the general welfare of the community. Any extra expenditure involved in schemes of improvement of health, medical, educational and other social facilities undertaken by the railways should be subsidised by the Central Government.

(Para 6.5)

99. Railway projects are labour intensive and employment generation in the railways is substantially linked with programmes of developing feeder roads that help to utilise the existing assets at higher optimum levels. Current schemes for construction of feeder roads should be given priority in implementation and the employment generated thereby should be evaluated.

(Para 6.6)

100. There is great scope for employment generation through the doubling of works, conversion of lines and the starting of new lines. There is considerable employment potential for engineering, teaching and supervisory staff as well as labourers in all these activities. All such schemes should receive Government's special attention.

(Para 6.7)

101. (a) Movement of commodities and passengers generates lot of other economic activity which provides employment. The Railway Board should undertake special studies to find out the quantum of such activity and employment.

(b) The Railway Board should also carry out studies on the requirements of transport facilities involving the expansion of railways to connect various sectors of industrial production, such as steel mills, fertiliser plants, cement factories, thermal power stations, etc. as specific steps relating to employment generation.

(c) The Railway Board should strengthen their research establishments, and supply greater information to the public than has been hitherto made possible through reports etc.

(Para 6.8)

102. The potentialities of employment generation in roads and road transport are directly linked with the opening up of new areas for economic exploitation, for integration of rural and urban economies and for quickening the pace of overall development that constitute a basic necessity for the population at large. Roads have the advantage of reaching the farthest nook and corner of the country thereby contributing greatly towards the objective of better diffusion of economic development.

(Para 7.0)

103. Road construction and its expansion offers the potentiality of decentralised employment and acts as a forerunner for all other employment in economic activity in under-developed and backward area. This has also been attested by the findings of an enquiry undertaken during 1958-59 by the National Council of Applied Economic Research (NCAER) at the instance of the Ministry of Transport. The Planning Commission are understood to have entrusted another similar study to the NCAER recently.

(Para 7.1)

104. (a) According to the employment norms identified by the Planning Commission at the time of the preparation of the Third Plan, Rs. one crore invested in roads generates annually 10,435 jobs as contrasted with 8,000 jobs in forestry, 7,000 in irrigation and 5,000 in agriculture and housing. The employment-investment ratio in small scale industries, railways, large industries, etc. for the same amount works out to only 2,000 jobs or less.

(b) An investment that gives rise to 17.9 jobs in the railways or to 16.3 jobs in large and small scale industries would yield 100 jobs in road programmes. Thus, for the same level of investment, employment in road and road transport can increase five and a half times more than in railways and slightly more than six times in large and small scale industries.

(Para 7.2)

105. Road development in this country, in spite of its multi-fold benefits, has not kept pace with the requirement. Poor and inadequate road net-work has been one of the main obstacles to making effective use of the country's vast natural resources. Though some progress has been made in extending and improving the existing road net-work in the country since independence, yet the position as regards road length compared to many other countries is rather depressing.

(Para 7.3)

106. As in the case of rural roads, the development of national highways (which are the main arterial roads running through the length and breadth of the country, connecting capitals of States, major ports and foreign highways at international borders) has not followed the targets laid down in the 20-Yard Road Development Plan (1961-81) drawn by the Chief Engineers in the year 1958. As the main carriers of long distance road traffic, National Highways bear heavy traffic at an increasing rate of about 8 per cent per annum. The system, at present, carries about 30 per cent to 40 per cent of the total road traffic, both goods and passenger in the country, although its length is only about 7 per cent of the total surfaced road mileage in the country.

(Para 7.7)

107. Apart from narrow and thin pavements, there are other deficiencies in the form of weak and narrow bridges and culverts, submergible bridges, causeways and dips and busy railway level crossings on the existing national highways which need to be removed. A survey carried out on the national highway system in 1968 revealed that bringing the existing national highway system to proper standards with two lane carriageway, would involve a total cost of about Rs. 1,300 crores. Though some of the work of removal of deficiencies has been undertaken during the Fourth Plan period, there remains a lot to be done during Fifth Plan period.

(Para 7.8)

108. During the first half of the 20-year Plan, only a meagre length of 1056 Kms. was added to the national highways system compared with the targeted increase of about 29,000 Kms. for the 20 year period.

(Para 7.10)

109. A length of only about 1,53,600 Kms. has been added to the country's road system during the first half of 20 year Plan as against the targetted increase of 4,54,800 Kms. over the whole period. The total expenditure on roads during 1961-1972 was Rs. 1,163 crores compared with the outlay of Rs. 1,925 crores recommended for the same period in the 20 year Plan. The extent of backlog in financial outlay needs to be viewed in the light of the fact that the 20 year Plan's cost figures were based on 1958 rates, and as such, funds required for the physical completion of the work would be very much more than these estimated in 1958.

(Para 7.11)

110. The report of the Chief Engineers on road development plan for India (1961-81) laid emphasis on providing employment to the technical personnel by increasing the annual intake of graduate engineers from about 400 in the first year (1961) to about 750 in the 20th year (1981). Similarly, diploma holders were estimated to have employment opportunities increasing from about 1,140 in 1961 to 2,150 in 1981. The corresponding figures for technical personnel (draftsmen, tracers, surveyors etc.) were 1,200 in 1961 and 2,400 in the 20th year. As we are in 1972 with over half of the 20 year period already behind us, we find that employment of graduate engineers and other categories envisaged by the Chief Engineers has not been achieved to the extent anticipated.

(Para 7.12)

111. Road development has not been given its due share in spite of its huge contribution to the national exchequer. The ratio of expenditure on road development to the revenue derived from road transport was 66 per cent in 1952 and 35.5 per cent in 1969. Apart from inadequate finances, absence of assured funds has been a factor inhibiting proper and planned development of roads in the country. The establishment of a non-lapsable Road Fund to which all the proceeds of vehicle licensing, taxation, fuel oil duties, import duties on motor vehicles and parts and driving licence receipts should go is the answer. A part of the fund could be diverted to general taxation for defraying the administrative costs associated with the control of motor transport in the public interest.

(Para 7.13)

112. The employment potential per unit of investment in road transport is much higher than that in the railways. In the large national interest, road and rail transport need to be developed as complementary to each other. For the purpose, it is necessary to spell out the projects in both the modes in terms of location and timings.

(Para 7.14)

113. The potentiality for additional employment in road and road transport can be developed by increasing the labour intensity of road transport services and techniques of road construction.

(Para 7.15)

114. With the growth of the road transport industry, the other linked industries such as automobile manufacturing, motor repairing and servicing, tyre retreading, paint varnishing etc., are also developed.

(Para 7.16)

115. The target for the production of commercial vehicles at 60,000 for 1967-74 is on the lower side. The target of buses at 1,15,000 is also inadequate. The target for production of trucks at 4,70,000 also needs to be raised. Increased production of commercial vehicles will assist the State Transport Undertakings to reduce the congestion in passenger traffic and add to their incomes through opening of new bus routes to reach out distant parts of the States/Territories.

(Para 7.19)

116. In the interest of regulation and development of inter-State road transport and expansion of the spread effect of employment generation, all co-ordinating transport organisations should hereafter keep a close watch on the extent of employment resulting from the process. For this purpose, a special cell should be set up in the Ministry of Shipping and Transport which should study this aspect constantly and co-ordinate its work with the State Bureaux of Economics and Statistics, Planning Boards and State Transport Authorities.

(Para 7.19)

117. Without effective financial assistance from the Central and State Governments, either through adequate Plan provision or by reduction of direct taxation burden, road transport development is likely to suffer a serious set-back. Without an integrated plan of road and road transport development, the investment in roads would remain largely infructuous. Comparative studies in the performance of nationalised transport undertakings should be carried out to assess the extent of employment generation and the scope for special planning within the States.

(Para 7.20)

118. Studies should be undertaken under the auspices of the Planning Commission on the basis of projections regarding the possible mutual impact of a continuing state of competition between the railways and the roads in regard to freight transportation. This may be done in the light of an employment plan keeping in view the centres of economic activity in the country that have come up over the past few decades.

(Para 7.22)

119. The development of roads and commercial transport should not be permitted to slide down on account of smaller outlays and to suffer as they assist in relieving the pressure on the railways and promoting construction activities in several regions not served by the railways at present.

(Para 7.22)

120. The comparative advantages of expanding road transport vis-à-vis the expansion of railway traffic should receive the attention of the Government in particular areas that offer scope for expanding rural employment during slack seasons in agricultural production.

(Para 7.22)

121. The strategy of employment generation during the Fifth Plan period should be wholly based on the systems approach that is in vogue in advanced countries. The employment potential of this vast sector should be reviewed by the Committee on Transport Policy and Coordination based on the systems approach before the end of the Fourth Plan period.

(Para 7.23)

122. Road construction work in the metropolitan cities of Bombay, Calcutta, Delhi and Madras should be expedited during the remaining period of the Fourth Plan; there is a large concentration of unemployed labour in these cities who could be employed.

(Paras 8.0 and 8.2)

123. The recommendations of the Planning Commission's Working Group on Metropolitan Transport Services (1970) should be implemented.

(Para 8.1)

124. Quick transportation and traffic studies of growing cities like Ahmedabad, Bangalore, Hyderabad, Kanpur and Poona should be undertaken keeping the employment possibilities in view.

(Para 8.2)

125. Steps should be taken to complete port projects on schedule and realistic projections made of traffic in various bulk commodities like petroleum, oil and lubricants, iron ore and fertilisers keeping the employment aspect also in view.

(Para 9.2)

126. To the extent difficulties faced by the ship building industry in obtaining sanctions for essential imports because of constraints on foreign exchange resources, delay in supplies of equipment etc., and in procurement of steel could be removed, and the capacities fully utilised, more employment could be generated.

(Para 10.4)

127. Inland water transport system has considerable employment potential in Andhra Pradesh, Assam, Bihar, Gujarat, Jammu and Kashmir, Kerala, Maharashtra, Mysore, Orissa, Tamil Nadu, Uttar Pradesh, West Bengal and Goa. Lack of proper maintenance of navigable waterways and the poor organisation of inland water transport have combined to depress employment levels in all these States. If the system approach is adopted, the importance of inland water transport in con-

ferring benefits on the economy of these States would be fully brought out. An economic appraisal of the inland water transport schemes in the above light is necessary.

(Para 11.0)

128. Lack of proper organisations in the riverine States is one of the reasons for the slow progress of the schemes. The question of speedy establishment of necessary organisations should be taken up with the State Governments concerned.

(Para 11.4)

129. Non-availability of dredgers and other equipment is another handicap which needs the attention of the Ministry of Shipping and Transport.

(Para 11.5)

130. All the unimplemented recommendations of the Inland Water Transport Committee should be implemented without further delay.

(Paras 11.6 and 11.8)

131. An investment of rupees one lakh in inland water transport schemes will bring about employment for about 75-100 persons. Employment would be found for a large number of carpenters, fitters, blacksmiths etc., and in trade and commerce.

(Para 11.8)

132. The scope of providing large scale jobs opportunities in civil air transport is limited.

(Para 12.0)

133. Unemployed commercial pilots should be found alternate employment opportunities in agricultural chemical spraying on crops and plantations, aerial resource surveys etc. They should be treated on par with other pilots in respect of seniority, fitness requirements etc.

(Para 12.1)

134. The employment aspect of the tourism industry has not received due attention. Most of the schemes have been prepared keeping only the foreign tourist in view. Little attention is paid to attract and provide for the domestic tourists. No studies have been undertaken to assess the potentialities of employment in the tourist industry keeping both the domestic and foreign tourists in view. Compared with big public sector hotels, no cheap living accommodation has been built by the Government for the tourists on the scale desired. Serious thought needs to be given to this problem.

(Para 13.1)

135. The Ministry of Petroleum and Chemicals should examine the employment potential in pipelines schemes.

(Para 14)

136. The total employment position including jobs to be abolished and jobs to be generated at various terminals and depot points etc.,

should at least be balanced in cases of implementation of modern means of petroleum products transportation.

(Para 14.1)

137. The employment potential of the communications programme is considerable. All bottlenecks should be quickly removed and greater co-ordination maintained between the telecommunication services and the development of telecommunications industries so that the Plan targets could be achieved.

(Para 15.2)

138. Employment potentialities under broadcasting and television are not significant.

(Para 16)

139. The scheme for providing 100 per cent Central assistance to States employing 30,000 teachers and 240 Inspectors by expanding primary educational institutes should be continued throughout the Fourth Plan period. It should be reoriented at the State level by involving the State Governments in providing infrastructural facilities. The financial outlays for the purpose should not be based on norms fixed at higher levels of school building and equipment involving heavy investment but should proceed on the basis of what is practicable on the spot and immediately. There should be proper coordination between the Department of Community Development, the Department of Social Welfare and the Ministry of Labour and Employment.

(Para 17.2)

140. The scheme for training graduate engineers and diploma holders in industries needs to be modified. The training institutions should be associated with the scheme in a more realistic manner; some incentive should be given to the factory owners and managers. The Ministry of Education should put the programme on a sound footing by attending to the followings:

- (i) Public sector projects should have broad staff structure representing whole of India.
- (ii) Recruitment should be done on the basis of academic qualifications and vocational aptitudes, skills, display of potentially managerial abilities etc.
- (iii) Successful trainees should be provided with jobs soon after training preferably in the areas of training.
- (iv) Unemployment among graduates of Management institutes should be reviewed to reorient admission policies.
- (v) There should be a Central directive to the States to compel the institutions to improve training facilities and resist pressures of all kinds.

(Para 17.5)

141. (a) The scheme of intensive training for the promotion of self-employment of ITI certificate holders and apprentices needs to be better implemented. The periods of training and apprenticeship should be halved, the amount of stipends raised, and the minimum wage rate for engineering workers improved. The training grant should be increased

to Rs. 100 per month and given to the institutes concerned. They should be obligated to provide employment to the trainees. The contingent grant amount should be increased.

(Paras 17.6 to 17.9)

(b) The provisions in the scheme for financial help to be extended to the trainee by banking institutions should be revised in relation to the realities. A State-wise survey should be undertaken to assess the quantum of loans advanced under the scheme.

(Para 17.11)

(c) The Committee of Direction provided under the scheme should go into the deficiencies of the scheme. The concerned Ministries etc., should examine the whole question de novo.

(Para 17.12)

(d) During the Fifth Plan period, the scheme should be reoriented in relation to particular States.

(Para 17.12)

(e) The Development Commissioner, Small Scale Industries, should categorise the institutions in terms of their efficiency and evaluate their commitment to the national objective.

(Para 17.14)

(f) Efforts should be made to motivate the young men who have received training to venture into industrial fields on a self-employment basis with greater confidence and financial backing.

(Para 17.14)

142. Unlike programmes for providing relief employment during drought, famine and similar contingencies, programmes of employment generation have to be based on broad and specific guidelines, realistically conceived and worked out in detail by the concerned Ministries. The Planning Commission has suggested some guidelines but these need to be spelt out in greater detail. Every scheme for employment generation has its economic, technical, organizational, financial and human aspect. Project appraisals, normally do not spell out these aspect and generally lump them together under the head of labour productivity.

(Paras 18.0 and 18.1)

143. Guidelines for project formulation should be examined and worked out by the Planning Commission in the form of a Manual and forwarded to all the concerned Ministries. A technical cell, other than the Economic and Statistical Research Wings of the Ministries could be asked to coordinate this work. The Planning Commission should study this question in depth.

(Para 18.2)

144. The scheme for agro-service centres is an effort to rationalise the organisation for sustaining the new agricultural technology; it also affords opportunities for self-employment to technically qualified personnel and attracts them towards the fostering of this technology.

(Para 18.5)

145. The impetus given to tractorisation has somewhat dampened the expectation of employment generation through this scheme. The

scheme would benefit only the privileged category and engineer entrepreneurs of the middle level would be by-passed.

(Para 18.8)

146. (a) The scheme was formulated without conceiving a proper method of evaluation of the response of engineer-entrepreneurs.

(b) It is doubtful if the objectives of the scheme would be achieved.

(Para 18.9)

147. (a) The question of giving subsidies to the Agro-Industrial Corporations needs to be reviewed. An uncoordinated performance of the agro-service centres would reduce rather than increase employment in the areas where agricultural technology has been generally a success.

(b) The Finance Ministry should issue directives so that deserving entrepreneurs get financial help without much difficulty, especially as regards security and margins.

(Para 18.10)

148. The issues relating to coordination with other Ministries should be given advance consideration before the scheme is expanded.

(Para 18.11)

149. The schemes to give employment opportunities to the educated unemployed including technically qualified personnel prepared by the Ministry of Industrial Development are welcome.

(Paras 18.12 and 18.13)

150. The scheme for industrial ventures by Industrial Development Corporations should be reformulated at various stages based on the experience of implementation.

(Para 18.14)

151. To overcome initial hurdles, the State Industrial Development Corporations should be asked to contribute up to 30 per cent of the equity capital.

(Para 18.15)

152. The scheme for engineering cooperatives requires a larger outlay and considerable encouragement. The engineering cooperatives in States such as Kerala and West Bengal need special encouragement.

(Para 18.16)

153. Commercial estates should be developed in suitable growth centres with the help of lead banks and the IDBI.

(Para 18.17)

154. The present policy of achieving consolidation rather than expansion in the scheme for development of industrial estates is endorsed. Areas linked with growth centres should be given priority in the selection of new industrial estate sites. This should receive the attention of the Planning Commission under Intensive Rural Development and from the angle of spatial planning with relevance to the promotion of industrial complexes.

(Para 18.18)

155. The potentialities of starting engineering technicians (workshop) industrial cooperative societies on the lines of the Kerala Industrial Co-operative Society should be fully explored.

(Para 18.22)

156. While formulating such programmes preference should be given to unemployed engineers and technicians of tested ability and initiative and political pressures should be resisted. The financial outlay for starting industrial areas by unemployed engineers should be periodically reviewed. The State Financial Corporations should be further assisted.

(Para 18.24)

157. The performance of State Development Corporations should be assessed at the end of the Fourth Plan period to envisage the continuance of assistance during the Fifth Plan period.

(Para 18.24)

158. (a) Before any industrial scheme for the educated unemployed is formulated, there should be an objective evaluation by the Ministry of Industrial Development to see whether its institutional infrastructure including its physical input of able and enthusiastic officers and staff are adequate or not.

(Para 18.26)

(b) The Ministry of Industrial Development has not assessed the dimensions of the problem and has mainly concentrated attention on technical qualifications rather than on their specific aptitude for starting industries.

(Para 18.26)

(c) The social background of the engineer-entrepreneurs should be enquired into before giving financial help to them. Enterprising persons who do not possess degrees or diplomas should also be considered for assistance under these schemes.

(Para 18.27)

159. The scheme of the Indian Oil Corporation for unemployed graduates and diploma holders made slow progress. The new scheme of giving dealerships to disabled soldiers and wives and dependants of the defence personnel skilled or missing in war is praiseworthy and should be continued.

(Para 18.28)

160. Agro-based industries covering products of plant and vegetable origin, products of animal and marine origin etc., have great employment potential and export prospects. The schemes prepared by the office of the Development Commissioner, Small Scale Industries deserve all encouragement. Related aspects of crop planning of cereals, etc., need to be looked into by district planning and area development authorities.

(Paras 18.29 and 18.30)

161. The Ministry of Labour and Rehabilitation should examine help the Government in the long run in shaping educational policies help the Government in the long run in shaping educational policies and training programmes in the country.

(Paras 19.0 and 19.1)

162. The scheme of Rural Engineering Surveys of the Ministry of Irrigation and Power is welcome. The implementation should be evaluated.

(Paras 19.2, 19.3, 19.13 and 19.14)

163. State Planning Commissions should be set up in all the States during the Fifth Plan period.

(Para 19.19)

164. (a) The scheme for setting up Planning Design Units for Water Supply Schemes prepared by the Ministry of Health and Family Planning is welcome.

(Para 19.20)

(b) A much larger outlay should be provided under the Fifth Plan for rural water supply. The State Governments should focus greater attention on the human problem created by the lack of drinking water, identify villages, and conduct surveys and prepare detailed plans for removing difficulty of rural water supply.

(Para 19.22)

165. The expenditure incurred on family planning programmes is far out of proportion to what has been incurred on the provision of essential services like drinking water supply which should have been attended to from the very beginning of planning.

(Para 19.23)

166. From the employment angle the old and new systems of medicine with their practitioners have to co-exist although the benefits of modern medicine and hospital facilities should continue to spread under the auspices of State and private initiative.

(Para 20.1)

167. The Ministry of Health and Family Planning should study the causes of the lack of inter-State mobility of doctors and nurses. Efforts should be made to break the barriers to such movement and open employment opportunities in all States.

(Para 20.2)

168. (a) Adequate incentives should be provided for training nurses and posting them to State which are chronically deficient in them.

(b) Factors impeding the progress of institutions imparting training to nurses as well as their mobility to different States should be gone into separately and remedial measures devised.

(c) All institutions for training nurses which have been closed because of paucity of funds and lack of State encouragement may be reopened.

(Para 20.3)

169. Incentives should be given for serving in rural areas, and doctors and nurses attached to the primary health centres and sub-centres should be allowed greater scope of activities to enable them to play an important role in the development schemes. Doctors and nurses should be increasingly involved in nutrition programmes, rural housing and slum improvement to the extent they cover the weaker section.

(Para 20.4)

170. (a) The proposals of employing licentates and intermediate category or auxiliary workers in rural areas should be revived.

(b) The earlier schemes included in the Third Plan and implemented only by Andhra Pradesh and Rajasthan should be revived.

(c) Auxiliary workers of the medical profession desirous of improving their professional skill should be encouraged through admissions in medical colleges etc.

(Para 20.5)

171. Homeopaths and Ayurvedic Vaidas should be given special encouragement on a large scale under the CGHS. Better financial assistance should be provided to them and they should be drawn into the primary health centres and sub-centres.

(Para 20.6)

172. The standardization of drugs may be expedited alongside the extension of the programmes for the cultivation of herbal plants, the reservation of forest area for those purposes and isolation of their active ingredients for eventual use by the Vaidas.

(Para 20.7)

173 (a) The Ministry of Health and Family Planning should undertake a multi-disciplinary survey in the countryside with emphasis on the human ecology in relation to dental health.

(b) The present urban concentration of dentists should be changed by creating a class of auxiliary workers to the dental profession which can be trained for service in the rural areas.

(c) There should be greater financial outlay for each primary health centre and sub-centre.

(Para 20.8)

174. There should be larger financial outlays on family planning so that there is adequate scope for employment through the purposive extension of family planning services. The family planning programmes should be dovetailed with social welfare programmes in all backward areas, particularly among the backward classes.

(Para 20.9)

175. Employment in the tertiary sector of hospital and primary health and sub-centres has to be increased.

(Para 20.10)

176. If welfare of the people rather than the rate of growth of GNP is the guiding consideration in the Fifth Plan, housing construction would have to be given a role of priority in national economic development.

(Para 21.0)

177. If, in the first phase, effort is made to make good the absolute shortage in the housing stock i.e., the difference between the number of householders and the number of houses available and to replace the absolutely kutcha hut like units, the backlog in housing would be 24.8 million units—6.7 million units in the urban areas and 18.1 million units

in the rural areas. For this, the resources required, at a very modest estimate, would be Rs. 9,000 crores.

(Para 21.1)

178. For the growth in population, 21.60 million housing units would have to be constructed during the Fifth Plan period—6 million units in the urban areas and 15.60 million units in the rural areas—at a cost of Rs. 8,000 crores. These estimates are based on very modest assumptions.

(Para 21.2)

179. As compared with the need, house construction is being done at a slow pace.

(Para 21.3)

180. Public sector housing investment as a percentage of total public sector investment has gone down from 16 per cent in the First Plan period to seven per cent in the Third Plan period; it is expected to be only five per cent in the Fourth Plan period.

(Para 21.4)

181. Even this meagre allocation has not been fully utilised. The percentage utilization was: First Plan: 63.8 per cent; Second Plan: 84.3 per cent and Third Plan: 80.4 per cent.

(Para 21.5)

182. To ensure that Plan allocations under housing are fully utilized and not diverted, 'housing' should again be transferred to the Central sector schemes and funds therefore should be earmarked.

(Para 21.7)

183. Because of the inadequate increase in the outlays for housing during the successive plans and the sharp rise in construction costs, the total employment generated in the social housing schemes has been decreasing from the Third Plan onwards.

(Para 21.8)

184. Whereas in 1954, the employment potential for an investment of Rs. one crore in urban housing was of 10.27 lakh man-days, the same potential in 1971 came down to 4.37 lakh man-days.

(Para 21.10)

185. (a) An investment of Rs. 1,600 crores per year in housing for the growing population would generate on-site employment of about 830 million man-days. In addition, to remove the backlog, if Rs. 600 crores per year are invested, employment of additional 290 million man-days would be generated.

(b) With the generation of employment on the above scale, there would be additional employment potential of the same order in respect of labour force required for the production of building materials needed for this programme.

(Para 21.13)

186. (a) The construction under the various social housing schemes is very small, compared with the size of the problem.

(b) As public sector resources would always be limited, steps should be taken to mobilise greater private resources towards housing.

(c) There is need for increasing considerably the Plan allocations for housing and removing the bottlenecks of non-availability of finance on easy terms, developed land and building materials.

(Paras 21.14 and 21.15)

187. (a) Necessary preconditions need to be created to attract private investment in housing. These could be in the form of tax relief on new construction, progressive rates of taxation of house property and adequate flexibility in Rent Laws to provide for rise in construction cost etc.

(b) The absence of specialised institutional agencies for housing finance is increasingly felt.

(c) The procedural part of obtaining loans from the LIC for investment in housing is cumbersome and time consuming. These need to be simplified.

(d) If there is a suitable institutional framework, the unorganised sector of the money market could also be drawn in to provide resources for housing investment.

(Para 21.15)

188. HUDCO advances loans for projects which are preferably quicker in yielding returns; the repayment period is, therefore, shorter and rates of interest higher. Social housing, however, needs finance at a low rate of interest and a sufficiently longer period of amortisation.

(Para 21.16)

189. (a) Housing mortgage facilities should be developed.

(b) The absence of mortgage loan insurance system as prevalent in the USA, continental countries Japan, Australia and New Zealand inhibits larger investment in housing. Such institutions can induce greater confidence in the financial institutions and investors to invest in housing.

(Para 21.17)

190. The problem of administrative and local bottlenecks which might have stood in the way of development of housing co-operatives should be looked into.

(Para 21.18)

191. The urban co-operative banks should advance loans for house construction.

(Para 21.19)

192. The recommendation of the Committee on Unemployment in its Interim Report regarding the setting up of a rural housing finance corporation is endorsed. This deserves to be pursued and implemented.

(Para 21.20)

193. The recommendations of the Banking Commission regarding housing finance are endorsed. These should be given immediate consideration for implementation.

(Para 21.21)

194. (a) Urban land values have risen sharply over the years. In this connection, the consensus of the Housing Ministers' Conference that all urban and urbanisable land should be socialised is endorsed.

(b) Measures like conversion of freehold land into lease-hold property, restriction on future plot sizes, simplification of land acquisition proceedings, taxing vacant urban lands etc., should be adopted so that all urban and urbanisable lands are available for housing at a reasonable price.

(Para 21.22)

195. Steps should be taken to ensure enough supplies of essential building materials. Production of these should be enhanced.

(Para 21.23)

196. (a) Special steps should be taken to gear up the requirements of wagon and speed up their movement for transport of building materials.

(b) Higher priority should be given for the movement of coal for the brick kilns.

(Paras 21.23 and 21.24)

197. (a) Steps should be taken to increase the production of simpler, labour-intensive materials of house construction like bricks, lime, surkhi, timber, roofing tiles etc.

(Para 21.25)

(b) Small scale industries for putting up lime and surkhi plants should be encouraged through financial help and provision of know-how.

(Para 21.25)

(c) The Forest Department should take special steps to introduce the use of secondary species of timber by making them available in larger quantities and also providing the necessary seasoning and treatment plants for them. Greater availability of these species of timber will result in more use of timber which is labour intensive than the substitute materials like cement and steel.

(Para 21.25)

(d) In rural housing also, the tendency to use cement and steel can be curbed by improving the technology of use of cheaper materials like mud, bamboos etc.

(Para 21.25)

198. Research and development activity of organisations like the Central Building Research Institute, the National Buildings Organisation and its Rural Housing Wings should be increased manifold. For this it is necessary to augment these organisations considerably.

(Para 21.26)

199. The lot of the building labour should be improved and they should be provided satisfactory working and living conditions. Steps should be taken to provide some modicum of regular employment to labour employed on site and in the bricks manufacturing industry.

(Para 21.27)

200. If house building activity increases, demand for services of skilled artisans like masons, carpenters etc., would also increase. For this, the whole programme of training of artisans in the ITI and the apprenticeship scheme should be given de novo consideration by the Government. At present these are not attractive enough.

(Para 21.27)

201. The recommendations of the National Commission on Agriculture in their "Interim Report on House-Sites for Landless Agricultural Labourers", are endorsed. Their early implementation would go a long way in improving the plight of landless agricultural labourers and artisans, a large majority of whom belong to the Scheduled Castes and Scheduled Tribes.

(Para 21.28)

202. (a) If the educated unemployed have to be found jobs in the country side, social housing for teachers, doctors, nurses etc., in the rural areas should be given priority.

(b) Proper categories of social housing such as working women's hostels, creches for children of working women etc., should receive serious consideration in the Fifth Plan.

(Para 21.29)

203. The schemes for the welfare and development of backward classes are not specifically employment oriented.

(Para 22.0)

204. (a) States having high percentages of Scheduled Castes and Scheduled Tribes should give better representation of them in Government services under various categories of employment.

(b) A study should be made regarding their placements during the decade 1961-71.

(Para 22.1)

205. (a) The working of the pre-examination training centres for Scheduled Castes/Scheduled Tribes in the States and Union Territories should be consolidated. Appropriate syllabi and coaching techniques should be adopted.

(b) Members of the Scheduled Castes and Scheduled Tribes should be given increasing opportunities for employment in the private sector.

(Para 22.2)

206. (a) In all schemes meant for the Scheduled Castes and the Scheduled Tribes in the countryside, there should be proper consultations and co-ordination between the Departments of Social Welfare and Agriculture.

(b) In regard to wage payment, greater attention should be paid to the members of the Scheduled Castes/Scheduled Tribes.

(c) Equitable distribution of wealth generated as a result of the implementation of schemes and the conferment of property rights on these weaker sections of the society are two important factors which should be

taken into account jointly by the Departments of Agriculture and Social Welfare.

(Para 22.3)

207. (a) Lack of mobility of scheduled castes has militated against their benefiting from the spread of technology and creation of new job opportunities in the wake of implementation of special schemes.

(b) Apart from examining the possibilities of increasing the number of flush-outs etc., in urban housing, a concerted drive should be made to restore the self-dignity of Bhangis and others doing menial jobs by assuring them higher wages.

(c) The scheduled castes have to be increasingly drawn into the programmes of youth corps; land army and social welfare schemes.

(Para 22.4)

208. The Department of Social Welfare and the Ministry of Education should see to what extent conditions of admission to certain important educational institutions could be relaxed on special grounds for the benefit of scheduled caste candidates to acquire proficiency in essential skills.

(Para 22.5)

209. The nationalised banks should sanction loans without security to deserving members of the scheduled castes who come up with proposals for self-employment.

(Para 22.6)

210. Enterprising members of the educated scheduled castes should be inducted for training in crafts, management training and given the benefit of entrepreneurial guidance through institutions and agencies at different centres. If this involves special concessions, institutions concerned should relax rules of admission, fees etc., and accommodate larger numbers to expedite the grooming of scheduled caste candidates for effective professional training and employment.

(Para 22.8)

211. (a) The intake of scheduled caste workers in labour intensive industries continues to be hidebound by anachronistic social prejudice of employers and intermediate level of officers in some undertakings. This must go. There is imperative need for an increasing absorption of these backward communities in the country's industrial labour force.

(b) These aspects should receive special attention of the Department of Social Welfare and the Ministry of Labour and Employment so that suitable remedial measures on a systematic basis are adopted during the Fifth Plan period.

(Para 22.9)

212. (a) All impediments in the way of electrification of Harijan Bustees should be removed.

(b) Infrastructural facilities should be speedily provided in all villages adjoining cities and towns, blocks, districts etc., having large concentrations of scheduled castes.

(c) Agricultural development, agro-based industries etc, in such areas should receive special encouragement.

(Para 22.10)

213. There are favourable fields of employment for scheduled castes in social welfare departments of Government, programmes of child welfare and maternal care etc. There are possibilities of utilizing them for increased production of food, rural transport, family planning and women's welfare etc.

(Para 22.11)

214. Measures of social engineering for the upliftment of the scheduled castes should be well-conceived. Wherever necessary, special surveys should be undertaken by the Department of Social Welfare.

(Para 22.12)

215. (a) A study group of high level officials of the Department of Social Welfare and the Ministries of Industrial Development and Labour should examine the question of absorption of scheduled castes, particularly unskilled labour, in centres of industrial activity and highlight the scope for their larger employment in the field of industrial labour.

(b) All Central and State schemes involving absorption of educated scheduled castes should be evaluated at the end of the Fourth Plan period.

(Para 22.13)

216. Economic development essentially connotes higher levels of self-employment among the educated classes as distinct from passive dependence on Government initiative in providing job opportunities. All possible avenues for self-employment should be explored and desirable climate created for encouraging young people to do so.

(Para 23.0)

217. During the decade 1961-71, the proportion of self-employment among scientific and technical personnel increased almost in all fields.

(Para 23.1)

218. Arts and commerce graduates and post-graduates have found self-employment to a higher proportion than those in science and engineering.

(Para 23.2)

219. (a) There is need for the planned promotion of self-employment and of modifying approaches to educational planning.

(b) A network of consultancy services should be set up for promoting self-employment. There is need for preparatory training and attitudinization towards dignity of labour and self-reliance as part of character formation through voluntary organizations like Youth Corps, Land Army etc.

(c) Promotion of self-employment opportunities constitutes the key to transform the social frustration of youth towards constructive national endeavour.

(Para 23.3)

220. (a) There is need for consultancy services for promoting self-employment in small scale industries. Such consultancy services should undertake market surveys, provide information regarding financing facilities available through the Government, financial institutions etc., prepare feasibility reports, help in negotiating financial assistance from nationalised banks, industrial financial corporation etc., and advise on matters of processing and technology.

(Para 23.8)

(b) They would also assist in the procurement of equipment, supervision of construction of industrial units, guidance as regards selection of operators, marketing and inspection of products.

(Para 23.8)

(c) "Mothering" of intending entrepreneurs through a consultancy organisation will involve the services of specialist staff like engineers, marketing specialists, financial experts, inspection staff etc.

(Para 23.9)

(d) Each such consultancy organization should not have more than 200 miles radius as the sphere of their activity. One hundred such organizations to begin with (one for at least six districts) should be able to cover all the principal regions of the country that require this type of assistance.

(Para 23.10)

(e) When such consultancy services are started, qualified and experienced Indians serving abroad could be invited to come and join these.

(Para 23.11)

(f) Parallel to these consultancy services, there should be a Small Scale Industries Development Commissioner in each State with a Deputy Assistant Commissioner posted in each district.

(Para 23.12)

221. The "Scheme for the Organisation of Block Level Village Artisans (Baluteders) Multipurpose Co-operative Societies" prepared by the Government of Maharashtra is worthy of experimentation in other parts of the country. Its objective of reviving industrial co-operative societies for artisans and workers engaged in handicrafts and cottage industries is endorsed.

(Para 23.14)

222. Wherever possible, the traditional skill should be continued to be preserved in the family set-up and not allowed to die out in the process of economic development. There is need to collect data regarding this on a country-wide and continuous basis.

(Para 23.15)

223. From the Plan standpoint, employment generation under any scheme involving wage paid labour in any locality should not draw away skilled craftsmen as ordinary workers or add to the ranks of the illiterate or semi-educated unemployed.

(Para 23.16)

224. The impoverishment of traditional craftsmen for want of incentives should be rectified on an all-India basis so that their self-employment is fully ensured.

(Para 23.17)

225. The relevant recommendations of the Banking Commission, 1972 are endorsed. The implementation of these should be evaluated by the Planning Commission in co-operation with Banks and Industrial Co-operatives before the end of the Fourth Plan period.

(Para 23.18)

226. Socio-economic surveys should be undertaken by the Indian Council of Social and Scientific Research to identify the social and economic characteristics of small and large groups of communities devoted to such occupations but who are perforce affected by the trend of machine-oriented economic development and employment generation and have, therefore, to give up their traditional skills and take up wage paid labour.

(Para 23.19)

227. Studies should be undertaken to gauge the impact of commercialisation of handicrafts etc. figuring in export trade which do not confer benefits on the artisans. Government should see that the quality of the skill of the artisans is safeguarded and greater financial benefits accrue to the artisans in the general process of employment generation.

(Para 23.19)

228. The view of the Bihar Unemployment Committee, 1960 that the safeguarding of the rules of employment of the people possessing traditional skills has, an individual and social dimension and cannot be lost sight of in the interest of the country, is endorsed.

(Para 23.20)

229. The State planning authorities should see that prompt and adequate measures are taken to prevent displacement of and creation of unemployment among rural artisans by the deliberate popularisation of consumer goods on a vast scale. In this connection, the view of the Bihar Unemployment Committee, 1960 that self-employment means the maximum employment of family labour and that directly strengthens the family as a unit, is endorsed.

(Para 23.20)

230. The generation of employment either in the industrial or agricultural sector should be evaluated strictly in terms of its impact on the lives of the larger communities in the adjoining areas. Indian sociologists and economists should devote a good part of their attention and studies on this aspect of the changes taking place in the country.

(Para 23.21)

231. District Collectors should see that particular families of craftsmen who do not want to join any professional co-operative society are not denied financial assistance or opportunity to pursue their avocations.

(Para 23.22)

232. The exploitation of the weak financial condition of the craftsmen should be stopped and producers cooperatives organised.

(Para 23.23)

233. Self-employment constitutes a vital part of the subject of full time employment and forms the basic plank of social stability that also

safeguards private initiative and the emotional satisfaction derived from the work in a traditional occupation within the household.

(Para 23.23)

234. (a) Youth Corps on the lines organised by the States of Mysore and Tamil Nadu should be set up in all the States. These States should evaluate the working of their schemes before the end of the Fourth Plan period.

(Para 23.24)

(b) Youth Corps schemes should not assume the qualities of sub-nationalism of the States.

(Para 23.31)

(c) Competent institutions should conduct psychological appraisals of the adaptability shown by the youth to the different tasks assigned to them.

(Para 23.31)

235. States operating Youth Corps schemes should periodically discuss their experiences under the National Planning Commission, and examine the possibility of participating of youth from other States.

(Para 23.32)



PART III

Some Basic Issues of the Fifth Plan Strategy for Employment Generation

236. There is no consensus in India regarding the measures to be adopted under planning to attain the objectives of eradication of poverty, alleviation of unemployment and reduction in income disparities. No consistent alternate model has been presented. The Planning Commission cannot dispense with aggregative thinking on a national scale. Nor can it do without the language, concepts and symbols of applied economics. Plan publicity and conscious administrative calibre in implementation of projects alone can bring about the national effort required for economic growth.

(Paras 24.0 and 24.1)

237. The Dantwala Committee too had pleaded for a disaggregated picture of the employment position.

(Para 24.2)

238. (a) The rate of economic growth cannot be ignored, but now special attention will have to be paid to the sectoral component of employment generation that is added to the rates of growth from year to year.

(b) Fall or rise in the rate of growth has an impact on the fall or rise in employment levels themselves as a corollary.

(c) There is no agreement among economists about the rate of growth during the Fifth Plan period to provide gainful employment to the bulk of the labour force.

(d) There has been some degree of misplaced emphasis on the rate of growth before the public without proper education of the implications and responsibilities of growth.

(Para 24.3)

239. The Fifth Plan would have to increase the rate of growth to generate enough employment. For this, our aim would have to be a balanced allocation of investment to various sectors; the retarded sectors of the economy having adequate employment potential would have to receive due attention.

(Para 24.4)

240. So far, the Centre has more than fulfilled its share of mobilizing resources; but some States are lagging behind in this as well as in organisational efficiency. The Centre must effectively aid such States.

(Paras 24.5 and 24.6)

241. (a) The appointment of the Sixth Finance Commission is welcomed.

(b) A qualitative and structural change, particularly in relation to agricultural taxation, in the fiscal policy is also required.

(Para 24.6)

242. (a) The causality of unemployment problem or the nature of remedial measures to be adopted, have not received enough attention. There is, therefore, no crystallization of view points on any aspect of the issues involved. Much more than planning publicity is called for to rectify this situation.

(b) Concerted steps should be taken to diffuse information to all sections of the public about the changing phases of Indian planning and processes and quicken the awareness about them and ensure public participation on a larger scale than hitherto.

(Paras 25.0 and 25.1)

243. The discussion of the formulation of employment strategy in the context of physical and financial planning first took place in the Second Plan. The importance of planning for balanced growth, both in physical and financial terms, has not diminished in any way now. During the past few years the sequential aspects of project formulation and implementation in various sectors had not received continuous attention. Because of this, projects had been rendered ineffective for employment generation.

(Para 26.0)

244. The balance between the supply of consumer goods and the purchasing power available for being spent and that between savings and investments and between receipts and payments abroad, are some of the points that have not been planned adequately. It is the integration of physical and financial planning that has been defective.

(Paras 26.1 and 26.2)

245. Unless the various departments of the Government administration make an intensive study of the different projects from the standpoint of employment potential, their implementation, by itself, will not help to relieve unemployment in the area. Therefore, it will be practicable to consider all planning as physical. Mere earmarking of finances for a project does not help unless the physical resources on which these aims are to be expanded are available. In both physical and financial planning, the principal nexus should be the price structure which would reflect the implications and volume and pattern of investment in any total plan.

(Para 26.3)

246. Before undertaking any Plan project not only the labour input but the total employment potential which will result should be assessed in terms of social cost benefit. Such an approach will be facilitated when there is integrated area development planning that will provide adequate information prior to project formulation for any specific purpose.

(Para 26.4)

247. (a) The view that every Plan and its mid-term appraisal should be accompanied by an assessment of the employment levels reached as a result of the implementation of the Plan programmes is endorsed.

(b) Like perspective planning, there should be perspective planning for employment generation also for 15 years.

(Para 27.0)

248. (a) As mobilisation of resources for the Fifth Plan through labour intensive schemes has been accepted as a basic principle, it is assumed that this will reduce capital outlays in such sectors where labour intensive technology is adopted in place of machine-oriented technology.

(b) Reallocation of resources under the Plan should not interfere with the existing levels of higher technology and reduce it merely for the sake of promoting labour intensive technology.

(Para 28.1)

249. (a) The raising of the aggregate receipts of the public sector through taxation policies while curtailing luxury consumption patterns, should receive special attention during the coming years. In this connection, the action of the Government in bringing about a qualitative and structural change in the taxation system by paying more attention to the untaxed agricultural sector is endorsed.

(b) The Centre-State fiscal relations should be put on an even keel so that proper climate could be created in the States for formulating and implementing a larger number of projects at the village, block and district levels that will generate greater employment in specific areas.

(c) State, Planning Boards and Area Development Authorities should assist in lightening the burden of the Central Ministries by taking over the administration of various projects.

(Para 28.2)

250. Deficit financing for the Fifth Plan programmes that serve to increase social benefits might aggravate the levels of inflation potential unless the levels of public and private savings could be augmented through properly designed policies.

(Para 28.3)

251. Taking into consideration the slow growth or the secular non-rise in public and private savings other than forced savings and the wide prevalence of the lack of effective demand among the people below the poverty line, there is sufficient logic to take recourse to a high marginal rate of taxation proposed by Profs. Dandekar and Rath to meet the outlay requirements on labour intensive projects creating social overheads, public works etc., systematically drawn up for each district or scarcity areas. Thus money would be pumped into the hands of the large labour force and help them to raise their consumption standards and per capita annual expenditure.

(Para 28.5)

252. Viewed in the context of deficit financed economic growth, there is need to place the minimum amount of money in the hands of the people before economic growth or distribution aspects of consumer goods could be thought of now.

(Para 28.6)

253. The absence of enough schemes to employ moderately educated persons is a serious gap in the evaluation of the problem of unemployment and betrays lack of appreciation of the findings of earlier committees.

(Para 29.0)

254. (a) Wherever the educated, particularly technically qualified, unemployed persons have to be selected, due attention should be paid by the organizations and agencies to see that a fair section from the lower and middle income groups are included.

(Para 29.1)

(b) The extent of actual absorption of Scheduled Caste/Scheduled Tribe persons require to be evaluated before the end of the Fourth Plan period as a prelude to the provision of safeguards in their favour in the Fifth Plan programmes. Absorption of these categories should be done on lines of equitable considerations as matter of regular practice.

(Para 29.2)

(c) In the Fifth Plan, unemployment should be viewed in the manner of sectoral and sub-sectoral angles of inter-industry inconsistencies and linkages of primary, secondary and tertiary sectors rather than confined to manpower problems of the urban educated unemployed. For this, the coverage of schemes should be extended to include the tertiary sector also with such discriminating classification or trade or professions so that the educated unemployed could get absorbed in centres in the rural areas adjoining some towns.

(Para 29.3)

(d) The Planning Commission should see that the State schemes are suitably modified.

(Para 29.3)

255. A de novo examination of the procedure of work of the different Departments and Ministries of the Government of India is called for to remove some obvious incongruities.

(Para 30.0)

256. (a) The proper assessment of the employment potentialities of the secondary sector have been clouded because of the nature of allocation of responsibilities among different Departments etc. This sector requires an employment plan based on inter-industry relationship; modern research techniques such as input-output matrices would be necessary for this.

(b) Multi-sectoral, inter-temporal models of employment generation should find a more important place in employment plans in the future.

(Para 30.1)

257. (a) The collection of statistics relating to employment in a disaggregated fashion is a basic necessity.

(b) Sectors like the construction of railway tracks and roads where employment has actually been generated should be identified. Empirical studies should be systematically conducted to find out the scope for employment generation in such fields.

(Para 31.0)

258. A proper study of the foreign trade activities of a selected number of commodities that have found markets abroad and also established themselves within the domestic market, would throw up a good deal of data about the points at which such activities bear the potentialities of generating continuous and gainful employment. Factors leading

to the shrinkage in employment in the production and export of particular commodities should be highlighted through appropriate studies by the Ministry of Foreign Trade and the Indian Institute of Foreign Trade.

(Para 32.0)

259. (a) Items such as iron ore and mineral ores of several categories, tobacco, jute, forest produce, tea and similar commodities could be studied from the long term angle of offering potentialities of employment generation, provided processing and manufacturing activities could be located in areas where the raw material and other resources are available in abundance. Industrial and regional planning should pay attention to these aspects.

(b) Areas under the new agricultural technology deserve to be treated at par in the matter of wages with industry so that employment levels in agriculture and industry in the developing areas could be stabilised without dislocation through absenteeism, migration etc., caused by wage disparities and seasonality of work in agriculture.

(c) Estimates of State incomes should be updated so that these could come in handy for policy formulation.

(d) In future, industrial planning should move forward pari-passu with employment planning so that focus is given on employment in each industry in relation to its vocational choice.

(Para 33.0)

260. The existing imbalances in economic growth of various States and the slow growth of national income has resulted largely from overlooking the larger perspective of linking employment generation with the establishment of industries. The dispersal of industries should be governed more by considerations of employment generation rather than of regional growth.

(Para 34.0)

261. (a) Employment activities largely operative in the territory sector through the opening of small shops, distribution centres etc., have remained under estimated.

(b) The implementation of the Shops and Commercial Shop Acts and Rules should be reviewed and statistics emerging from this should be collected from the angle of employment potential. Proper attention should be paid to the enforcement of these Acts; legitimate grievances, if any, should be removed.

(c) Problems of evaluation in this connection should receive consideration afresh from the State Planning Authorities and the Planning Commission.

(Para 35.0)

262. All efforts should be made to allow people free and voluntary participation in the planning activities at all levels. Special studies should be undertaken to highlight the potentialities of participation of workers in national planning endeavours at the factory and village levels. Evaluation of Plan awareness among the masses is also called for.

(Para 36.1)

263. The Central Plan publicity programmes should be helped by similar programmes of the State Planning Boards.

(Para 36.2)

264. Participation of the working classes in industry and agriculture has not meant proper involvement of the labour force in planning. The entire machinery and methodology of Plan publicity requires drastic changes.

(Para 36.3)

265. (a) In spite of the fact that industrial management in India has accepted the principle of participation of labour in its ranks, these professions of good faith and other promises made have not been carried out so far.

(b) Even in centralised planning, the participation of workers is very important in the fulfilment of production targets.

(c) Trade unions should be associated at the plant level in respect of some aspects of personnel policies like recruitment, transfers, promotions, job assignments etc.

(d) The subject of associating workers' organisations in national planning matters should receive fresh consideration of the Government during the Fifth Plan period.

(e) Workers' education should receive greater attention, along with adult education, so as to vocationalise their outlook and experience and create a cadre of trained workers. This would increase productivity and ensure commitment of the workers in national programmes for raising output, avoiding strikes, lockouts etc.

(Para 36.4)

266. (a) The mechanisation of menial work done by the Bhangis and others should receive priority so as to restore them self-dignity.

(b) The Ministry of Labour, with the cooperation of academics, should see that the process of mechanisation is smoothened while maintaining or even increasing levels of employment. A psychological assessment of the opposition to simple mechanisation would be a great help.

(c) The attention of the Committee on Unemployment is drawn to the recommendations of the Committee on Automation as regards selective use and application of modern technology, automation and mechanisation.

(Para 36.5)

Surveys/Special Studies etc., recommended in the Report of the Working Group on the Plan

<i>Part</i>	<i>Page</i>	<i>Para</i>	<i>Subject of Survey/Special Study etc., Recommended</i>	<i>To be undertaken by</i>
1	2	3	4	5
I	50	2.18	Valuational problems involved in estimates of social benefits/ costs.	Planning Commission.
I	62	2.27	Evaluation of rural manpower projects.	Planning Commission.

1	2	3	4	5
II	91	4.28	Evaluation of Scheme of Department of Agriculture Growth Centres.	
II	97	4.40	Cost of conversion of dry lands into wet lands.	State Governments.
II	97	4.41	Land tenancy reforms in relation to employment.	Department of Agriculture.
II	103	4.55	Tractorisation and displacement of labour.	Research Institutions.
II	106	4.59	Scrutiny of data collection by various agencies.	A high level Committee.
II	111	5.17	Evaluation of employment generation through rural electrification.	P.E.O. Planning Commission.
II	113	6.2	Rural labour employed by the Railways.	Universities/ICSSR.
II	114	6.4	Housing for Railway staff and possibilities of employment generation.	Railway Board.
II	115	6.8	Total quantum of employment generation in the light of economic activity brought about by the Railways at various important sectors.	Railway Board.
II	115	6.8	Requirements of transport facilities involving expansion of railways to connect various sectors of industrial production, such as steel mills, fertilizer plants, cement factories, thermal power stations etc.	Railway Board.
II	124	7.20	Performance of nationalised transport undertakings.	Central Government.
II	141	17.11	Loans advanced to trainees of industrial training institutes.	Ministry of Education.
II	163	20.2	Lack of mobility of doctors and nurses.	Ministry of Health and Family Planning.
II	165	20.8	Dental care of the rural population.	-do-
II	184	22.10	Harijan Bustees' electrification.	Department of Works and Housing, in consultation with the Ministry of Irrigation and Power and Department of Social Welfare.
II	193	22.13	Absorption of scheduled caste persons in industries.	Department of Social Welfare, Ministry of Industrial Development and Ministry of Labour.
II	196	23.19	Socio-economic characteristics of craftsmen.	ICSSR.
III	216	31.0	Sectoral surveys on employment.	Research Institutions.
III	216	32.0	Shrinkage of employment in production/exports of particular commodities.	Ministry of Foreign Trade and Indian Institute of Foreign Trade.

**References made to the other Working Groups/Panel in the Report
of the Working Group on the Plan**

<i>Part</i>	<i>Page</i>	<i>Para</i>	<i>Group/Panel Referred to</i>	<i>Subject(s) of Reference</i>
1	2	3	4	5
I	55	2.12	Agriculture, Fiscal and Financial, and Industries.	Change in occupational pattern of the labour force over the Plan periods.
I	56	2.13	Panel	Relationship of investment and employment generation.
I	58	2.15	Panel	Measurement of employment as a magnitude of time utilised.
I	63	2.30	Agriculture, Fiscal and Financial and Industries.	Functional coverage of employment generating sectors by credit policies.
I	67	2.36	Panel	Manpower analysis for drawing up employment plans.
I	67	2.37	Panel	Assessment of employment potential from the lowest strata of each village etc.
I	68	2.38	Education	Educational planning and employment.
I	70	2.45	Education	Retraining programmes through nexus between vocational schools and adult educational institutions.
I	71	2.48	Education	Science education at the secondary stage.
I	74	2.55	Agriculture	Social conflicts resulting from high profitability of farms and low employment gains.
II	81	4.2	Agriculture	Larger national issues of agricultural development.
II	85	4.10	Agriculture	Evaluation of employment generation in areas covered by SFDA and MFAL Schemes.
II	88	4.19	Agriculture	Defective implementation of CSRE in States.
II	99	4.46	Agriculture	Some lingering problems of agricultural development.
II	101	4.49	Panel	Rural unemployment/under-employment.
II	102	4.52	Panel	Statewise distribution of casual agricultural labourers.
II	103	4.53	Agriculture and Financial.	Economic conditions of labourers in areas covered by HYVP.
II	104	4.56	Agriculture	Tractorisation and mechanization and their impact on agricultural labourers.

1	2	3	4	5
II	110	5.13	Industries	Power consumption in rural industries and employment.
II	112	5.19	Agriculture	Minor irrigation and employment generation.
II	146	18.10	Fiscal and Financial	Interest subsidy on cash loans for agro-service centre scheme.
II	149	18.22	Industries	Engineering Technicians' Industrial Co-operative Societies.
Ij	210	27.0	Panel	Data about employment levels of different sectors of the economy.
II	210	28.1	Industries	Saving capital investment through introduction of labour intensive techniques.
II	218	34.0	Industries	Industrial dispersal.



सत्यमेव जयते

**List of Statistical Tables in the Text of the Report of the Working
Group on the Plan**

<i>Number</i>	<i>Page(s)</i>	<i>Heading</i>
I. 1	72	Unemployment Among Graduates and Post-graduates as per Special Census Enumeration, 1971—Percentages.
II. I	115	Employment Potential in Doubling/Conversion of and Construction of New Lines etc., in the Railways.
II. 2	116	Plan Outlay on Transport and Communications.
II. 3	118	Road Lengths per Population in Some Countries.
II. 4	118	Targets of Road Development.
II. 5	120	Progress of National Highways.
II. 6	122	Motor Vehicles on Roads—by Types (All-India).
II. 7	123	Road Length by Agency.
II. 8	128-129	Employment Norms for Inland Water Transport.
II. 9	168	Investment in Residential Housing in Public and Private Sectors.
II. 10	169	Social Housing Schemes—Outlay and Expenditure.
II. 11	169	Employment per year in Special Housing Schemes.
II. 12	170	Employment Potential on site of Rupees one Crore Investment in Housing Construction.
II. 13	187	Self-employment Among Scientific and Technical Personnel.
II. 14	188	Estimated Number of Graduates in Self-employment.
II. 15	188	Median Pay and Earning in Public, Private and Self-employment Sectors.
II. 16	190	Technical and Managerial Guidance by the SSIDO.

References to Appendices (Vol. II) in the Report of the Working Group on the Plan

<i>Part</i>	<i>Page</i>	<i>Para</i>	<i>Number</i>	<i>Short Heading</i>
1	2	3	4	5
Introduction Part I	48 52	1.4 2.4	I } I }	Questionnaire on basic issues.
Introduction	48	1.4	II	List of Economists.
„	48	1.4	III	List of Experts.
„	48	1.5	IV	Questionnaire I.
„	48	1.5	V	Questionnaire II.
„	49	1.5	VI	List of persons met in States visited.
I	56	2.13	VII	Employment—Investment ratio, 1950-51 to 1968-69.
I	61	2.22	VIII	Employment norms.
I	71	2.46	IX	Additional requirements of scientific etc., personnel.
I	71	2.46	X	Scientific etc., personnel serving abroad: 1970.
II	79	3.0	XI	Unemployment among graduates/post-graduates, 1971.
II	79	3.0	XII	Stock of personnel in early 1971.
II	79	3.0	XIII	Estimated unemployment in early 1971.
II	79	3.0	XIV	Percentage distribution of unemployed engineers.
II	79	3.0	XV	Percentage distribution of unemployed post-graduate scientists.
II	79	3.0	XVI	Percentage distribution of unemployed Arts graduates.
II	82	4.3	XVII	Economics of holdings under high yielding/ local varieties.
II	82	4.3	XVIII	Operational and ownership holdings below 3 and 5 acres.
II	82	4.3	XIX	Economics of the crop-sharers under existing law in Bihar and Madras.
II	82	4.3	XX	Percentage distribution of households: interest in Land.
II	82	4.3	XXI	Estimates of production of foodgrains in 1970-71 from irrigated areas.
II	82	4.3	XXII	Requirement of man-days in agriculture.
II	82	4.3	XXIII	Targets and anticipated achievements agriculture and allied programmes.
II	88	4.19	XXIV	Crash scheme for rural employment in Kerala.

1	2	3	4	5
II	88	4.19	XXV	Crash scheme for rural employment in Andhra Pradesh.
II	96	4.30	XXVI	Progress of expenditure of DPAP Schemes.
II	98	4.42	XXVII	Area under Tenancy.
II	108	5.6	XXVIII	Energisation of Pumpsets/Tube-wells.
II	108	5.8	XXIX	Schemes sanctioned by the R.E.C.—31-8-72
II	109	5.9	XXX	Number of villages electrified.
II	124	7.20	XXXI	Findings of State Transport Authorities.
II	163	20.0	XXXII	Hospital and medical care-Estimates and Projections.
II	170	21.12	XXXIII	Progress of Social Housing Schemes, Dec., 1971.
II	173	21.23	XXXIV	Building Materials Requirement and availability in Fifth Plan.
II	184	22.10	XXXV	SC/ST Population in districts.
II	184	22.10	XXXVI	Statewise Bhoodan Land and Gramdan Villages.
II	194	23.14	XXXVII	Government of Maharashtra Scheme.
II	194	23.15	XXXVIII	Statistics collected by the K. V. and I Commission.
III	210	28.2	XL	Central and State Schemes.
III	212	28.4	XXXIX	Per Capita consumption of different sectors.
III	213	29.0	XL	Central and State Schemes.
			XLI	Plan Outlays and Expenditures Statewise and Employment Generation.

INTRODUCTION

1. APPOINTMENT AND TERMS OF REFERENCE

1.0. To "recommend the directions in which the programmes included in the Fourth Five Year Plan could be made more employment-oriented in their implementation, with due regard to their timely execution, economy and productivity and to the requirements of rapid economic development", the Committee on Unemployment constituted a Working Group on the Plan vide O.M. No. 9/2/71-ECU(Tech.)-Plan dated the 11th December, 1971 with the following composition:—

- | | |
|--|-------------------|
| 1. Shri Arjun Arora, formerly M.P. | <i>Chairman.</i> |
| 2. Shri Raja Kulkarni, M.P. | <i>Member.</i> |
| 3. Shri M. K. K. Nayar, Joint Secretary,
Planning Commission. | |
| 4. Shri S. L. Kathuria, Chief Engineer (Roads),
Ministry of Shipping and Transport. | <i>Member.</i> |
| 5. Shri A. F. Couto, Director,
Ministry of Irrigation and Power. | |
| 6. Shri B. N. Nair, Director,
Committee on Unemployment. | <i>Secretary.</i> |

1.1. Three additional members were appointed later—Shri R. G. Gokhale, Director, National Buildings Organisation, Ministry of Works, Housing and Supply on the 16th December, 1971 and Sarvashri K. Ray, Scientist-in-charge, Council of Scientific and Industrial Research and S. Venkitaramanan, Secretary, Finance Department, Tamil Nadu on the 15th February, 1972. Shri S. Venkitaramanan resigned on the 27th March, 1972 because of personal inability without participating in any meeting. The place vacated by Shri A. F. Couto on the 30th April, 1972 was filled by Shri P. K. Ramanujam, Director, Ministry of Irrigation and Power on 27th July, 1972.

1.2. In regard to the subject allocated to it, the Group was required to ascertain facts, locate the main problem areas, examine solutions for the problems and suggest such of them as it would recommend for the Committee's consideration. In the broad sense of the word, Plan embraces all subjects like Agriculture, Education, Financial and Fiscal Policy, Industry etc., but in view of the complexity of the issues and the constitution of four other Working Groups to handle these subjects, the Working Group on the Plan confined itself to the ongoing Central and State programmes mainly concerned with employment generation. The programmes were examined in depth with a view to identifying their adequacy or deficiency for the object in view. In this respect, our effort was to confine ourselves to their examination from the plan angle of inter-relationship rather than in terms of their departmental origins or sectoral importance. However, a certain degree of overlapping could not be avoided in that respect, in view of the fact that the other Working Groups were engaged in their detailed study. A clear cut differential approach from the plan viewpoint was rendered difficult to some extent because of the fact that at the time of the Constitution of the Working Group most of the programmes had hardly taken off the ground and a rigid evaluation of the implementation was *prima facie* premature.

However, during the period of our deliberations rapid progress was made at various levels and that assisted in our efforts to assess them in conformity with the terms of reference. A series of important seminars organised under the auspices of Governmental Departments, private bodies and institutions also helped us in obtaining an integrated view of the implementation of the programmes and weighing our findings in relation to the objectives of the Fourth Plan and the approach to the Fifth Plan. In this respect, the detailed examination of the ongoing schemes in the Interim Report submitted by the Committee in February, 1972 covering mainly short-term measures for the remaining period of the Fourth Plan received our careful attention. We have, therefore, sought to focus our view beyond the balance period of the Fourth Plan and attempted to conceive appropriate lines on which the programmes of employment generation could be broadened as well as deepened from the policy standpoint. The identity of some of our recommendations with those of the other Working Groups in their reports should, therefore, be deemed a coincidence rather than the result of a deliberate attempt to weave compatibility in viewpoints clothed as recommendations.

2. FUNCTIONING, MEETINGS AND RECORDING OF EVIDENCE

1.3. The Working Group on the Plan was the last to be constituted and by the time it started functioning, the Committee had already finalised its Interim Report recommending short-term measures for relieving unemployment. The Working Group on the Plan was, however, not to be prejudiced by the line of thinking already adopted by the Committee; rather it was expected to make its own studies, to draw upon the relevant material and to project its own thinking on the subject allocated to it. This report, therefore, represents our best efforts in that direction.

1.4. The Group held 20 meetings in all. The first took place on 3rd January, 1972 in which the scope and frame-work of the study to be undertaken was decided. A questionnaire on basic issues (Appendix I) was framed to elicit views and comments of eminent economists (Appendix II). Considering the fact that the issues relating to the Plan were different from those of a sectoral examination of the programmes, properly so called, the Group decided to invite some experts (Appendix III) for exchange of views and evidence.

1.5. The Questionnaires (I and II) issued by Committee (Appendices IV and V) had several questions of specific relevance to the work of our Group. Those allotted for tabulation and study of the Group were numbers 11—23 and 61 of Questionnaire I, and numbers 12, 13, 17—20, 24, 29, 38 and 39 of Questionnaire II. Questionnaire II was mainly meant for the State Governments. The replies received were fragmentary and inadequate; the State Governments appeared to have simply forwarded these to their district and other officers asking them to forward their replies direct to the Committee. From the evaluation of these replies, no clear picture of the situation prevailing in the States emerged. The Group felt that the task expected of it could not be completed satisfactorily unless it made on-the-spot studies of the problems facing the States. The Group, therefore, decided to visit as many States as possible and to hold

discussions with State Government officials, educationists, chambers of commerce and industry, leaders of public opinion and other knowledgeable persons. The Group visited Maharashtra (19th to 22nd April, 1972), Tamil Nadu (7th and 8th June, 1972), Kerala (9th and 10th June, 1972), and Andhra Pradesh (12th and 13th June, 1972). Appendix VI lists the prominent persons with whom the Group held discussions in these States. The Group was planning to visit Uttar Pradesh and Bihar when it was asked to expedite the submission of its report. The programme of further visits to the States had, therefore, to be abandoned.

1.6. The tenth meeting of the Group held on the 20th July, 1972 was attended by Shri N. S. Pandey, Member Secretary of the Committee. He pointed out that the proposal to set up the Committee was mooted as early as 1969 but its setting up was delayed till December, 1970. The Committee had submitted an Interim Report in February, 1972 and by the time, the Committee submitted its final report, the fourth year of the Fourth Plan would almost be over. As such, any recommendations for revamping the Fourth Plan with a view to making it more employment-oriented would have lost much of their utility. He, therefore, felt that the Group would be well-advised to make its recommendations not only for the remaining one year of the Fourth Plan but for the Fifth Plan as well. The Group agreed with the views of the Member Secretary and requested him to have the term of reference amended suitably. However, it was subsequently decided that the second term of reference assigned to the Group would be read in the context of the third term of reference for the above purpose.

3. SCHEME OF THE REPORT

1.7. The Report of the Group is divided into three parts. In Part I, the Plan approach to employment generation in the country has been discussed. Part II presents strategic reorientation of the major programmes of employment generation included in the Central, Centre-aided and State schemes. Part III discusses the strategy and approach towards the Fifth Plan.

1.8. The views of the Group expressed in this Report are unanimous.

4. ACKNOWLEDGEMENTS

1.9. The Group would like to place on record its gratitude towards Shri B. Bhagavati, Chairman and Shri N. S. Pandey, Member Secretary of the Committee for the special interest evinced by them in its work and the guidance afforded to it from time to time. Dr. Gautam Mathur, Member of the Committee had attended some of the meetings of the Group and given the benefit of his views for which we are grateful to him. The Group are equally thankful to Shri A. G. Kulkarni, M.P., Dr. D. T. Lakdawala, Dr. K. Ramiah, M.P. and Dr. L. S. Chandrakant, Chairman of the Working Groups on Industries, Financial and Fiscal Measures, Agriculture and Education respectively as well as to Dr. Ashok Mitra, Chairman of the Panel.

1.10. The Group are thankful to the Directors of the Industries, Fiscal and Financial Groups and the Panel as well as the Officers and staff of all the Working Groups and the Panel for the assistance afforded to the Secretariat of the Working Group on the Plan.

1.11. The Working Group would wish to place on record its sincere thanks to the special invitees who made useful contributions to the discussions and gave the Group the benefit of their views and experience. The Group is also grateful to the Governments of Maharashtra, Tamil Nadu, Kerala and Andhra Pradesh for their cooperation and for arranging useful discussions.

1.12. The Working Group would particularly like to place on record its appreciation of the enthusiasm, seriousness of purpose and industry with which Shri B. N. Nair, Secretary, applied himself to the arduous task assigned to him by the Working Group for which he had to take great pains and devote considerable time. His experience and knowledge proved very useful in the preparation of the Report.

1.13. We would also like to express our appreciation of the valuable assistance and cooperation rendered by Shri M. L. Trikha, Senior Research Officer and Shri R. P. Jaiswal, Research Officer. Sarvashri S. K. Jain and S. C. Luthra, Senior Investigators, Sarvashri R. N. Rao and B. R. Sharma, Junior Investigators alongwith Shri R. G. Sahu, who provided able secretarial and stenographic assistance deserve our appreciation. Without the hard and devoted work put in by the officers and staff in good team spirit, it would not have been possible for us to complete our work in the shortest possible time.

(Sd./-) ARJUN ARORA
Chairman.

(Sd./-) RAJA KULKARNI, M.P.
Member

(Sd./-) M. K. K. NAYAR,
Member.

(Sd./-) S. L. KATHURIA,
Member

(Sd./-) R. G. GOKHALE,
Member.

(Sd./-) K. RAY.
Member

(Sd./-) P. K. RAMANUJAM,
Member.

(Sd./-) B. N. NAIR.
Secretary.

NEW DELHI,
October 24, 1972.

PART I

PLAN APPROACH TO EMPLOYMENT GENERATION IN INDIA

1. INTRODUCTION

2.0. According to the functions assigned to the Group, our responsibility was, primarily, the second term of reference of the Committee on Unemployment: "to recommend the directions in which the programmes included in the Fourth Five Year Plan could be made more employment-oriented in their implementation, with due regard to their timely execution, economy and productivity and to the requirements of rapid economic development". As we proceeded with our examination in depth of the issues of development concerned with the field of labour and employment which also reflected in the formulation of special programmes for employment generation our attention was drawn to the problems of their continuance during the Fifth Plan period on suitable lines of modification in terms of outlays and coverage. In this manner, we were naturally led to read the second term of reference in the context of the third term of reference which reads as follows:

"To suggest suitable strategies for employment generation, both short-term and long-term, including technical, financial and fiscal measures, in respect of different sectors of the economy, taking into account the mobility of labour and the openings for employment and self-employment in the tertiary sector as a result of implementation of Plan programmes and various measures initiated by the Government for activating the economy".

2.1. While the respective Working Groups appointed by the Committee are also concerned with the suggestions of suitable strategies for employment generation, we have been led to examine the Plan strategies as a whole and also with reference to the Plan programmes specially meant for employment generation. In this context, we do not consider it necessary to underline the obvious distinction in terminological content of programmes, schemes and projects under the Plan in so far as it is explicit in terms of their connotation and parlance under planning in relation to their evaluation and assessment on the lines indicated in the second term of reference.

2.2. The Fourth Plan underwent mid-term appraisal in December, 1971. The directions in which labour and employment programmes were to change were spelt out by the "Mid-Term Appraisal" as follows:—

(a) better implementation, (b) increased outlays to correct emerging short falls, (c) resources mobilisation by the Centre and the States, (d) increased self-reliance and (e) larger outlays on schemes designed to promote employment and social justice. The Mid-term Appraisal was followed by the Annual Plan, 1972-73. Its objective was "to give further impetus to the main objective of growth with social justice". The present part principally deals with the above aspects that hold good for future plans and we have, therefore, considered it appropriate to examine the nature and scope of these identified areas. Wherever appropriate, we have extended our view to the Fifth Plan also in the light of the emerging

trends of discussions on the subject. Our recommendations may be viewed as applicable to the balance period of the Fourth Plan and generally desirable and expedient for the Fifth Plan including its Annual Plans.

2.3. The main emphasis of the Fourth Plan has been on labour-intensive programmes through development of agriculture, rural infrastructure including communications and transport links, rural electrification, water management, rural industries, decentralisation and dispersal of industrial investments and rural and urban housing. In keeping with this, the Interim Report of the Committee submitted in February, 1972, had examined the existing programmes of construction in rural areas, minor irrigation, rural electrification, roads and inland water transport, rural housing, rural water supply, education and a few miscellaneous items relevant to the generation of greater employment among industrial workers and the educated unemployed. In his letter of presentation of this Report to the Minister of Labour and Rehabilitation, the Chairman of the Committee has mentioned that certain basic issues had come up during its formal sittings and discussions. According to him:

“Some of these relate to the necessity of a substantial restructuring of the Plan and its priorities, as also the fiscal and financial policies for tackling the problem of unemployment. Thus, it has been discussed as to how far employment creation should be linked with production of essential consumer goods, and to what extent the techniques to be adopted should have a high or low degree of mechanisation. Another important question which has been raised is as to the extent to which employment-oriented schemes would require resources raised by taxation or public borrowing and whether some schemes could be financed from credit specially created for the purpose as they would be quick yielding and would result in development of essential infra-structure or production of consumer necessities”.

2.4. In pursuance of the Chairman's commitment to the Minister that these basic questions would be studied by the various Working Groups, the Group on the Plan framed a questionnaire on basic issues (Appendix I) and elicited the views of several leading economists in the country. The oral evidence taken by the Committee was also useful to the Group to supplement and assess the broad trends of opinion shared by the economists on the subject. While a substantial portion of the basic issues was remitted by the Committee for study by the other Working Groups, the Group on the Plan made a special effort to understand their dimensions in relation to the Plan framework as well as the policies and programmes. Our views regarding some of these are given in Part III of the Report.

2.5. Our main objective, however, has been to confine ourselves to the second term of reference of the Committee assigned to the Group. We have explored fresh avenues for employment generation, howsoever modest these might be in the Fourth Plan period, with an eye on the multiplier effect during the long-term period including the Fifth Plan and beyond. We have, all the same, not embarked on any projections on manpower planning or undertaken any assessment of unemployment in the country during the Plan periods, either past or present, as this task, particularly assessment, has been assigned, in accordance with the first and fifth term of reference of the Committee, to the Panel.

2. CONCEPTUAL APPROACHES TO FULL EMPLOYMENT UNDER THE PLAN.

Scope and limitations

2.6. The Working Group on the Plan is in full agreement with the general view that full employment is the most desirable goal of economic policies for the country. As a concept, full employment had its vogue in India long before planning was adopted. The discussions on the possibilities of pursuing policies towards the attainment of full employment that had raged all over the world including India during the years following World War II need not be recapitulated here as those have been incorporated to a large extent and superseded by the programmes and policies chalked out for economic development under the auspices of the United Nations for over two decades now. The International Labour Organisation (ILO) had also included this goal in their World Employment Programme, 1969. However, apart from the national appraisal of the structural deficiencies and constraints to conceive full-employment or even less, "high and stable level of employment", national development induced under international conditions of expansion of trade and monetary policies have also cumulatively led to the gradual recognition of the constraints in attaining, even partially, this ever-receding goal. We recognise that, theoretically viewed, full-employment or full-time employment constitutes the best ideal for perspective plans with adequate manpower planning except that with the added connotation under the prevailing socio-economic realities of our predominantly agricultural economy, and lower levels of technical knowledge employed in production, it could conceivably convey only the suggestion of higher economic activity that might generate productive as well as gainful employment on the national aggregative scale. The fundamental problem under Indian conditions is, to our mind, to render the average Indian citizen *economically active* and *promote his economic and social rationality* to move in consonance with the planning measures calculated to increase the rate of economic growth and assure social justice. Therefore, limiting our view to our specific terms of reference, the Group has attempted to spell out some conceptual approaches to the policy of increasing productive and gainful employment through the formulation and implementation of schemes under the Fourth Plan. In these circumstances, we do not desire to revert to a discussion on the feasibility of attaining full employment in India on the basis of any theoretical reasoning as such. The possibilities of generating full-time employment through projects etc., will hereafter engage our attention at appropriate places in this Report.

Employment policies of the Five Year Plans

2.7. The starting point for the consideration of employment policies in relation to the economic development is in our view, the First Five Year Plan which had clearly spelt out the problems under Indian conditions in broad terms. With the vast resources of unutilised manpower, the problem of employment was recognised by the Planning Commission as having two aspects in relation to development:

- (a) the need to make the maximum use of idle manpower for the purpose of development, not in terms of providing employment at existing or higher real wages but rather in terms of effectively mobilising of available resources at minimum social cost; and

- (b) the problem of providing larger employment on rising levels of real income by increasing the productivity of labour, which is linked to the question of capital accumulation and technical efficiency.

2.8. The First Plan had anticipated that there could be an apparent conflict between the need for making the maximum use of the idle manpower and the need for raising productivity, particularly, when the newly mobilised labour during the initial stages would not be able to contribute significantly to the total output and the larger money incomes received by them as wages would tend to exert pressure on available supplies and cause sectional rise in prices. It was also feared that that process was apt to cause redistribution of available supplies leading to a rise in the real incomes of those newly employed and a fall in that of those who were already employed. The likely pressure on commodities like foodgrains was also anticipated so that there was necessity to see that the newly mobilised labour was able to raise total output. The First Plan, therefore, emphasised the need for relying, as far as possible, on voluntary labour and using money, mainly, as a means of attracting and organising such labour. The mobilisation of the idle manpower with as little increase in money incomes as possible was also stressed in the Plan so that full employment was to be conceived as a state in which higher money as well as real incomes would result.

2.9. The First Plan had also spelt out the prerequisites for a programme of full employment for able bodied persons following a wage policy that would assure the current level of real wages to the newly employed with no reduction in the real wages of those already employed. To attain this objective, it had stressed the importance of capital formation in the community and also programmes of expanding irrigation, power, basic industries, transport and other services that would, directly as well as indirectly, provide new avenues of employment. The importance of stepping up the rate of capital formation through a strategy of employment generation lies in the present context, on increasing the per capita average holding of land through land reforms alongside other complementary measures and also in accelerating productive requirement in the shape of machinery, buildings, tools and implements, factories, locomotives, irrigation facilities, power installation, transport and communications etc. The choice and limitations of increasing this stock of capital today through labour-intensive methods instead of labour saving technology was apparently not faced by the country during the First Plan period in as much as unemployment did not pose a serious problem at that time. It is refreshing to read the First Plan characterising "development as another name for the creation of employment opportunities". It was clearly spelt out that the larger the increase in national output aimed at, the greater must be the demand for labour especially if care was taken to adopt labour intensive processes to the maximum extent possible. That meant that expansion of employment opportunities at rising levels of real incomes would proceed side by side with development of the economy and, like the process of development itself, would become cumulative as soon as there was a marked improvement in the technical equipment of the community.

2.10. Placed as we are on the threshold of the Fifth Plan, it would appear to us that the policy spelt out in the First Plan holds substantially

true even today. The reasons that might have led to the lack of adherence to the above approach in the subsequent plans need not be gone into by us at any length here, as an examination of the merits of this criticism does not lie within the purview of our terms of reference. We have, however, benefited a great deal from our discussions with senior economists. What would be more relevant here, however, is to underline the five important criteria laid down by the First Plan for a viable employment policy based on the recognition of the reality that "unemployment is not merely an economic problem, it is a social problem involving human values and has to be approached from a broader viewpoint". We would like to list below the five criteria spelt out by the Planning Commission with which we are in agreement.

These are:

- (a) Unemployed manpower should be drawn up to the maximum for the development programmes;
- (b) Money incomes in the initial stages should be expanded as little as possible;
- (c) Capital formation should be speeded up and technical efficiency improved so as to increase productivity of labour;
- (d) The rate at which equipment in establishing indigenous industries, especially those which employed large numbers, is allowed to be competed out and discarded must be adjusted so as to safeguard against excessive unemployment in the process of technological change;
- (e) The distribution of capital in new lines should be planned keeping in view the need to increase employment opportunities in the short run as well as in the larger pattern of development necessary for expanding economy.

2.11. Reviewing the foregoing set of criteria in the light of the experience of the Second, Third and Fourth Plans for seeking guidelines for the Fifth Plan, we feel that the labour intensive programmes launched during the second half of the Fourth Plan period meet the first criterion, notwithstanding the fact that there has been no income policy coupled with a wage policy that would satisfy the second criteria. While capital formation has increased moderately alongside of technical efficiency in industrial operation, productivity of labour continues to be seriously hampered by the lack of education amongst the workers and the organisational deficiencies, both in the public and the private sectors. Although labour productivity has improved in a limited number of industries consequent on improvements in technique, the Indian labour continues to be by and large, illiterate and incapable of reacting to innovations due to faulty attitudes towards modernisation, on the one hand, and excessive trade union activities forced on them for bargaining for higher wages and better working conditions, on the other. The absence of an incomes and wages policy might be treated as an important contributory factor to this situation.

2.12. In regard to the technological changes taking place in labour-intensive industries, in our view, pressures have been brought about by the demonstration effect of luxury goods and the exigencies of export promotion of various industrial and consumer goods that had necessitated

the import of new technology through foreign collaboration or the improvement in existing technology. The extent to which these changes in technology have affected the levels of employment in the organised sector of industry through the introduction of labour-saving devices has been, on available evidence, only marginal as not to constitute a major source of unemployment in the country for the present. The future trends, however, require to be watched with caution and the technological dimension of the organised sector requires in our view, detailed study in relation to their future patterns of keeping abreast of technological advance that should also reconcile higher productivity with the maintenance of employment levels. In addition, forces released by industrial recession have led to fall in demand, both domestic and foreign of various goods alongside an unfavourable industrial climate that has persisted in the country due to political factors that have aggravated unemployment. Capital investment also does not appear to have been spread on a planned basis to sustain employment opportunities in the industrial sector due to the rapid formation of monopolies since the First Plan. In the large sector of agriculture with chronic disguised unemployment, investment has been at lower levels as contrasted with industry except in the Third and Fourth Plans. There has been no notable improvement in agricultural technology except after 1966. While the expansion in producer goods industries as well as cottage and village industries has been disproportionate in different parts of the country in sympathy with the interest taken by the Central and State Governments and their specific strands of policies during the previous plans, it cannot be claimed that there has been any desirable expansion in these occupations so as to absorb an increasing proportion of the annual increase in the labour force. The study of the occupational patterns covering these changes from the First Plan onwards, does not reveal the effectiveness of employment policy or the diversification of the occupational patterns in keeping with the many-sided development that has taken place with uneven impact on the labour force. We anticipate that a detailed discussion of some of these points will be reflected in the Reports of the Working Groups on Industries, Agriculture and Fiscal and Financial Measures and we need not prejudice their findings at this stage.

2.13. We would like to stress that capital investments in the various Plans have all along aimed at employment generation in the different sectors of the economy implicitly and not on the basis of progressive evaluation by the Programme Evaluation Organisation (PEO). We are of the view that the PEO should be geared up and activated for this purpose. However, investment in the sense of using potentially productive but hitherto unutilised manpower for the building up of capital equipment has never received any sharp focus except in the face of mounting and vocal unemployment both among the educated and the illiterate masses. Since the contribution of the highly educated and trained technical personnel to the building of capital equipment and capital formation is significant, it would appear legitimate that measures for alleviating educated unemployment should receive first priority as during the Fourth Plan period. However, this has always been open to class view points and criticisms. As the underlying emphasis of the First, Second, Third and Fourth Plans varied over the past two decades to suit the exigencies of national reconstruction and development, following certain priorities, employment generation was necessarily incidental to investment programmes in the two large sectors of industry and agriculture

without any differentiation in regard to their respective manpower problems. Calculations made on employment generation based on investments during the Five Year Plans by the Reserve Bank of India show that there has been a steady increase in the Employment-Investment ratio during the successive Five Year Plans for the period 1950-51 to 1968-69 (Appendix VII). According to these estimates covering the 18 year period of planned development, about 42.5 million additional jobs—about three quarters of these in the agricultural sector—might have been created. Studies on employment generation during this period having been based on statistical exercises of recent dates and being of doubtful credibility, we are not inclined to take a view of the situation that prevailed during the previous years. We could, therefore, discuss only in terms of broad employment policies pursued since the beginning, in so far as these constitute better indices of the steps to generate economic activity through various programmes and measures on an all-India basis rather than in sectoral terms that are looked into by the Working Groups on Industries and Agriculture. Besides, the estimation of unemployment in India is already engaging the attention of the Panel appointed by the Committee.

Perspectives on the Sectoral Distribution of Employment

2.14. Before discussing some of the aspects of employment generation through project formulation, we would like to make two observations. Firstly, the problem of unemployment has invariably been highlighted in relation to a few sectors with greater emphasis than others.* Examples of these are: (i) the factory Sector, (ii) the Organised Sector (Public and private sectors of industry) and (iii) Technical Personnel and other graduates. Open unemployment relating to these sectors as reflected in the Employment Market Information (EMI) data based on employment exchanges has acquired a psychological dimension of crisis proportions largely through the involvement of urban life with it. As the total employment of these sectors put together accounts for the reduction of only a small fraction of the general unemployment problem of the country, we are of the view that the focus on employment policies for the non-agricultural sector, for example, has tended to restrict the broader issues of policy and has also coloured it with a deep urban bias so far. We are of the view that this is somewhat contrary to the premises of economic planning in the country that embraces all sectors of the economy in equal measure and does not limit its frame of reference to the cities and towns. Participation of people, particularly organisations of the labour force in both urban and rural sectors in the planning process is, therefore, a basic issue for evolving appropriate employment strategies under the auspices of the Plan and hence we have dealt with this separately in Part III of the Report. Similarly, it is now increasingly realised that project formulation for solving unemployment in the urban economy, howsoever, urgent from the political point of view, cannot be permitted to monopolise either scarce capital or public attention for all time, to the comparative

*For an appraisal of these sectors see :

1. "Growth of Employment : 1950-51 to 1968-69" *Reserve Bank of India Bulletin*, December, 1969.
2. "Employment Growth in the Organised Sector—1961-69" *Ibid*, August, 1970.
3. "Trends in Employment Growth in the Factory Sector in India : 1951-68" *IBID*, July, 1971.

negligence of the dimensions of the problems prevailing in the countryside. This constitutes our basic perspective from the plan viewpoint towards unemployment in the country and its current focus, including the work of the Committee on Unemployment.

2.15. Our second important perspective is that the study of the problems of unemployment in India came to be largely influenced by concepts and definitions applied to industrial employment in relation to economic forces shaping industrial production in economically advanced countries. This is not to deny that extensive research has already covered the special characteristics of employment in other sectors such as agriculture. The socio-economic surveys sponsored by the Research Programme Committee, Planning Commission covering 20 cities had postulated a definition of unemployed as including, "those persons who had no job on a given day or during a given period and who were seeking work and are able to take up a job if offered one". The distinction between joblessness and unemployment illustrates to some extent the differences in approach between sectors offering posts/jobs and those which simply employ persons on wages. The increasing use of the terminology of labour force, manpower, working force etc., and such categories of terms as 'labour force participation rate', 'activity rate', 'economic activity rate', 'worker rate', 'worker population ratio', etc., has been due to the pre-occupation of economists and statisticians with the tempo of industrial life, on the one hand and the corpus of economic theories propounded in advanced countries that are basically different from Indian conditions on the other. We would not like to belabour this point here at any length. The measurement of unemployment has also, under these circumstances, got closer to the considerations of identifying the 'employed' status of persons with reference to (a) time spent in gainful activity during the specific period of time and (b) the fixation of minimum rates in relation to (a). It is a matter of surmise whether the measurement of unemployment in the country as a magnitude of time utilised will assist planning approaches now or in future, although we do not like to prejudge the findings and calculations of the Panel appointed by the Committee for this purpose. We are inclined to take the view that the formulation of concepts for measuring employment or economic activity in general has to take into account the temporal attitudes, the different agricultural seasons and the general ecology and infrastructure of the area including the human characteristics. We feel that this subject is of an area of inter-disciplinary interest and therefore, not amenable to undisciplinary conceptualizations particularly of the borrowed variety. In our view this has considerable relevance to employment generating projects and their fulfilment in relative terms under the variant conditions prevailing in the country.

2.16. As contrasted with the impact of industry on the concepts and definitions used for measuring unemployment, there appears to have been a very slow reaction to the formulation of concepts in relation to unemployment in agriculture. However, we would not like to enter into a discussion of concepts such as "under-employment" or "disguised unemployment" in agriculture as these do not directly concern us here. We are of the view that if the general economic activity is accelerated through productive and gainful employment, the phenomenon of joblessness/worklessness could be kept under control. Measuring the extent of the improvements in the situation also need not, in our view, get itself involved in devious statistical exercises except in relation to specific

research requirements. For policy formulation for short-term measures, however, the usefulness of such exercises has to be discounted and this includes the field of projects and programme formulation for employment generation with which we are concerned. Their usefulness for perspective planning is not, in the least, doubted by us.

Approach to Employment Generation in Project Formulation under the Plans.

2.17. The necessity for a project/scheme approach within the Plan framework for employment policy formulation, made itself felt with the early realisation by the Planning Commission of the magnitude of the problem of unemployment and its concrete manifestations in human misery. Instead of employing the project approach as now, the formulation of employment policies during the earlier Plans had the objective of promoting development in those areas which would generate more employment consistent with other objectives. The Second Plan with its accent on investment in basic and heavy industries, power and transport requiring heavy capital investment, had nevertheless, bestowed attention on the growth of small scale industries.

2.18. In a retrospective assessment of the investment projects of Indian planning during the First and Second Plans, it has been observed that "one of the major deficiencies has been an inadequate appreciation of the need to analyse critically the economics of major investment projects prior to their approval and execution". Similarly, in a major analysis of an investment project viz. the Bhakra Nangal project in the Punjab¹ the employment aspects as well as of its spill over effects in the form of indirect demands for consumption were highlighted. These hold true of many other projects that remain to be appraised on the above lines. The assumptions that labour could be drawn away in unlimited numbers at a given real wage rate and that more labour could be had without incurring higher costs, that the marginal propensity to consume of labour would not differ between the migrant labour at the project site and those belonging to the rural households nearby etc., were disproved by this study. Analysis of projects from the employment standpoint bring out the possibilities of substituting labour for capital as against the emphasis on capital—heaviness and import intensity. Valuation problems involved in estimates of social benefits or costs continue to persist and the difficulties do not appear to have been relieved by improvements in techniques. These aspects require special studies by the Planning Commission and we recommend the same.

2.19. The developments during the Third and Fourth Plan periods have witnessed greater emphasis on small scale industries, construction of all types, major and minor irrigation, electrification, soil conservation, cooperative goods transport etc. It was during the Third Plan period that the Rural Works Programme was launched to relieve to some extent the seasonal unemployment or under-employment prevalent during slack agricultural seasons. Similarly, the Fourth Plan draft laid special emphasis on labour-intensive schemes, such as roads, minor irrigation, soil conservation, area development programmes, rural electrification, village

1 J. N. Bhagawati and S. Chakravarty, *Op cit* 1969 pp. 24—25.

2 K. N. Raj: Some Economic Aspects of the Bhakra-Nangal Project, New Delhi, 1960.

and small scale industries, housing and urban development. Two aspects that went unnoticed or were perhaps neglected on purpose, were (a) the extent of employment generated by a project and (b) the sustenance of at least a part of this employment through maintenance works etc., after the termination of the project. As both these aspects did not receive attention in a large number of cases, we are afraid that capital formation in the country might have seriously suffered. We are of the view that such situations should not be repeated.

2.20. With the Annual Plan, 1972-73, project/scheme formulation has assumed a higher degree of national concern both for open unemployment as well as for under-employment. Superficially viewed, there has been a veritable hydra-headed proliferation of schemes and programmes in some of the States as well. This in effect, has got itself linked in certain cases with manpower planning, family planning, spatial planning and similar aspects of planning on sophisticated lines so that an excessive degree of filiation of ideas has resulted rendering it difficult to ascertain the parentage of a project amidst a mix of projects implemented in one geographical area. Hence, the lines on which they should be integrated at the regional, State and local levels and the palpable constraints etc., pose serious problems of project coordination. These have been referred to in the following parts at appropriate places.

2.21. It has been brought to our notice by various organisations that although the outlays on labour intensive programmes of the Fourth Plan are twice as high as of the Third Plan, they, nevertheless, constitute no more than one-third of the total public sector outlays as in the Third Plan and in the Annual Plans. It has also been stated that the investment pattern in the Fourth Plan continues to be towards the development of capital intensive industries. The place of projects of employment generation, however, is equally important in medium and consumer goods industries provided there is no industrial recession or serious agricultural drought blocking inter sectoral flows as was witnessed in the recent past. Capital intensive industries and the small and ancillary industries associated with them, undoubtedly offer scope for absorbing a great number of skilled and educated workmen. Important schemes such as those meant for engineers and other technical personnel generally tend to be highly capital intensive. The fact that two-thirds of the total outlay of the Fourth Plan has gone for industries, minerals, transport (other than roads and road transport), and communications, power and social welfare, therefore, does not reduce the significance of increased planned outlay on capital intensive industries and their multiplier effect on employment generation. Viewed, strictly, in terms of capital-labour ratios, we recognise that this may strike as offering lesser scope for employment generation, particularly in view of the higher technologies that have to be used in basic and heavy industries. However, we recognise that the basic issue lies in the inter-relationship of the labour-saving capital intensive industries with other sectors so that capital formation could be cumulatively accelerated at a higher rate of ploughing back additions to national income resulting in a general increase in the growth rate as well as increase in the levels of productive employment. We also recognise the importance of the rate of growth of population and the correlation between the increase in national output and income that is expected to follow a given increase in the capital stock.

2.22. In considering the issues relating to the revision of the investment pattern of the Fourth Plan, we have had to make enquiries about the employment norms used at present. We have ascertained that these remain to be worked out for the Fourth Plan taking into account the wage/price rise witnessed since 1959-60. According to the Third Plan employment norms Rs. 1 crore invested in 18 heads of development generated employment of the order as given in Appendix VIII. We are of the view that the shrinkage in employment witnessed during periods of recession in the organised sector coupled with capital scarcity and the inflationary wage/price rise have combined to reduce the levels of employment all over the country. While wages and price policies are directly relevant to the implementation of the strategies of employment generation through rural development programmes, we consider the determination of employment norms for the Fourth Plan programmes as the first order of priority. We recommend that the Planning Commission should complete this work as early as possible in order to assist future evaluation of employment programmes in a realistic manner.

2.23. Secondly, as an off shoot of the above, in so far as the Plans are expressed in constant prices (e.g. 1960-61) the implementation of projects counting towards the fulfilment of the Plan at current prices, does not reflect the rise in prices during the interval and render the original outlays inadequate. In any massive approach to employment generation even without taking recourse to deficit financing the expansion of money incomes at current wage levels would call for project formulations on more realistic price levels and real incomes and ensure the provision of adequate investment that might not be fully met by calculations based on the impact of a stringent monetary and fiscal policy. The levels of investment might have to be raised higher in view of the mix of employment programmes in particular regions where without proper coordination there could be wastage of scarce capital resources.

2.24. With the switch over of emphasis on employment generation, we recommend that new capital-output and capital-labour ratio should be worked out for the organised industry. In fact, as an investment criterion capital-labour ratio is, to our mind, more important instrument variable of policy than capital-output ratio.¹ In regard to employment norms, we feel that the present techniques of calculations require refinement. In view of the uneven pattern of development of various States not to speak of sectors, and the non-comparable levels of State incomes and the differential impact of wage and price policies on them alongside the operation of multifaceted State and Central legislation, the imperative requirements of controls and fiscal policies etc., there is need to disaggregate the employment norms. State-wise and further still, by districts and groups of districts, over-looking, if need be, administrative boundaries. We feel that such a set of disaggregated norms and capital-labour ratios will assist the Planning Commission in evaluating programmes of employment generation on the spatial axis involving the cooperation of two or more States towards the solution of a common problem e.g. Haryana and the Punjab, Uttar Pradesh, Bihar and Madhya Pradesh, Tamil Nadu and Andhra Pradesh etc. The elaboration of input-output tables for State

¹According to R. S. Eckaus and K. S. Parikh 'One of the most obvious omissions is the complete lack of consideration of labour requirements' in Plan models, See their 'Suggestions for Improvements in the Models' in *Planning for Growth, Multi-Sectoral, Inter-temporal Models Applied to India*, The MIT, Press 1968, p. 203.

development can also be realistic only on this basis in so far as the labour input does not materially receive attention in Plan models including sectoral plans. In this connection, we are also of the view that the raising of the efficiency of the performance of the State Bureaux of Economics and Statistics to deal with employment problems and research is an urgent necessity that will add a new dimension to our organisational arrangements for the continual appraisal of the unemployment situation in the country. We have made separate recommendations on this subject at later stages.

3. PLAN AND THE PROBLEMS OF PROJECT IMPLEMENTATION

2.25. We feel that it is important to recognise at the outset that the standard problems of implementation of Plan projects already identified through evaluations and administrative assessment and devising of the solutions towards better implementation, are distinct and different as between an economic plan and an employment generating plan. However, we do not like to designate the latter at this stage as manpower plan or human resources plan. As there are conceptual as well as terminological distinctions between the two that vary with the policy content and approaches that are nationally conceived and chalked out as distinct from those internationally induced such as through the United Nations and other agencies in the Development Decade and the World Employment Programme of the International Labour Organisation (ILO), 1969, we would like, for the present, merely to draw the line of demarcation between an economic development plan and an employment oriented plan or simply an employment plan, which, no doubt, will embody, an employment generating strategy. In this respect, there is convergence of these two at present and there will be more so in the Fifth Plan that should effectively submerge in our view the distinctions between short-term and long-term strategies for employment generation in the country and highlight it as a constant goal of planning itself.

2.26. Although Indian economists have been discussing for the past several years the goal of full-employment for India on grounds similar to those of the less developed countries based on the Keynesian General Theory, our planning has accepted this in rather general terms only in the Fourth Plan. The Annual Plan, 1972-73, has adopted a more positive approach. Our Plans have hitherto emphasised the provision of employment opportunities on a large scale consistent with our national goals of economic development. The full employment concept, although in vogue for a few decades, particularly after the Second World War, has been viewed in India with circumspection, understandably, due to the limitations of the concept under Indian conditions. These are in the nature of structural resistances to the operation of full-employment policies based on the creation of more effective demand. We do not propose to go into a theoretical exercise on these matters.

2.27. The economic and operational criteria for the successful implementation of an employment oriented project or plan on a limited scale, such as for a district or a few districts or those for a small State, cannot be either uniform or streamlined, in any sense. The very conception of the project will have to vary according to the dimensions of the problem of unemployment faced by the population in any particular area. If a national employment plan could be conceived as distinct from a central economic plan, the objective of both would be economic development and

need not necessarily be social welfare unless it is a case of providing relief employment as a short-term measure. In either case, since employment generation in the immediate context is circumscribed in relation to a particular sector of the economy, industry, agriculture, transport etc., the project formulation mostly short-term, its operation and appraisal would normally have to be based on well-recognised criteria of both formulation and implementation. In regard to Rural Manpower Projects, we may be guided by past experience as well as the current experience of the programmes of the Small Farmers Development Agencies (SFDA), the Marginal Farmers and Agricultural Labourers Agencies (MFALA) and the Crash Scheme for Rural Employment (CSRE). We have given our views on the deficiencies of the Master Plans drawn up at present for these schemes in the section on "Agricultural Development and Employment Generation". We consider this synthesis of experience as a basic postulate of all successful implementation and as not requiring any elaboration of details or the specific enumeration of the relative criteria, as these are rather well-known. We are not aware of any special study or report on evaluation on the States except the "Report of the Working Group on Evaluation in the States", Planning Commission, 1964. Similarly, the Programme Evaluation Organisation, Planning Commission does not appear to have attempted any evaluation of rural manpower projects after their Report in 1967. We recommend that before the end of the Fourth Plan period a thorough study on similar lines may be arranged by the Planning Commission by highlighting problems of implementation of projects and laying down fresh criteria for project formulation in consultation with all Central Ministries and State Departments of Planning etc.

2.28. In this respect, we are, in principle, in agreement with the three criteria of evaluation suggested by the ILO recently.¹ These are:—

- (i) the speed and effectiveness with which the schemes create jobs in the area or where action is needed;
- (ii) the extent, nature and importance of the immediate, incidental (other) effects of the schemes;
- (iii) the nature and importance of the long-term effects of the schemes on economic and social development, and in particular on the long-term employment situation.

2.29. We feel that the foregoing criteria will have to be tested under Indian conditions on the basis of evaluation before a decision is taken to lengthen the life of the schemes and also to increase their outlay. Under Indian conditions the same set of criteria could be adopted *mutatis mutandis* to decide the administration of projects by the Centre from those States which prove themselves unable to cope up with the required organisation and skill in implementation. As the time is not yet ripe for this sort of evaluation in respect of most of the State schemes that have hardly taken off the ground, we would for the present stress on the evaluation of emergency employment schemes by the Centre on the above lines.

2.30. Employment generation being the general resultant or function of increased economic activity flowing directly from the implementation

¹*Scope, Approach and Content of Research Oriented Activities of the World Employment Programme, ILO Geneva 1972, Page 109.*

of a project with high labour input with capital investment, a coordinated series of projects with linkage effects embodied in an employment plan with a mix of projects as such, could be conceived within the general framework of a Central plan or State, Block or District plans. Examples are the SFDA, MFALA, CSRE etc. Deficiencies in implementation could come up to the surface at all levels due to various reasons and circumstances of faulty project formulation or due to the unanticipated consequences, even under conditions of normal forecasts based on reasonably good data. During the course of our discussions with various informed people we have been convinced that in the absence of a specific employment oriented plan, economic projects have had no specific objective of employment generation as such and it has been only a secondary objective of plans, particularly credit-oriented plans in agriculture and industry. The credit procedures involved in financing agriculture and all other projects of an employment generating character have been examined by the Banking Commission under the Chairmanship of Sri R. K. Saraiya in their report, 1972. From the planning viewpoint we are largely concerned with credit policies on a national scale and their functional coverage of employment generating sectors in agriculture, industry etc. These again have been examined by this Commission and therefore, we do not like to embark on a discussion on them, particularly as these come within the purview of the other Working Groups on Agriculture, Industries, and Fiscal and Financial Measures.

2.31. In a sizeable number of cases of defective project implementation there would appear to be sufficient grounds to comment that one of the principal reasons of failure or relatively lower degree of fulfilment, has been the comparative neglect of the socio-economic characteristics of the community in any State, district or locality where the project was sought to be implemented. We do not claim that there are no variations of the theme or the situation or that this has been the sole defect in most of the project formulations under the Central or State plans. Excessive importance attached to economic aspects of the projects have also led to the neglect of the human or social side of employment and the manifold social problems resulting in labour disputes etc. These have already reflected themselves in the organization of labour cooperatives. In this connection we also appreciate that there is a built-in hazard of economic planning in the normal sense of the term and under usual circumstances where social variables do not figure in economic models to an adequate extent and that, too often, quantitative approaches have led to the negligence of qualitative aspects and also to the great detriment of the human aspects of labour. We recommend, therefore, that every employment-oriented project either Central or State or at the lower levels of the Block or District should be primarily based on a pre-plan assessment of the physical resources of the area, particularly the socio-economic characteristics of the population to be covered. This is equally important at the operational phase as well as at the stage of continuous appraisal. There is urgent need to assess the tempo of the systematic and progressive build up of employment creation in the area over the period of the project; this has already been brought out by the evaluation of projects on Rural Manpower by the PEO, 1967 referred to earlier. The instructions on District Planning issued by the Planning Commission cover this aspect. However, the extent of information that has resulted is not known to us. We are agreed that the increasing use of quantitative approaches in implementation has, therefore, to be leavened by supplying

the focus on the sociological aspects and evaluating the consequences of employment generation involving human labour. It is our view that this will supply the necessary corrective to some of the major problems of implementation and also rescue the project approach from an excessive cost-accounting approach and give greater importance to social cost-benefit, that is in keeping with the objectives of the Government, of social justice as well as self-reliance.

2.32. We have observed that the concept of the maximisation of social welfare of the western parlance has sometimes been substituted for the above. Theoretical approaches of welfare economics do not assist us in India in employment problems as these are conceived as a *via-media* between capitalistic and communistic system of planning and merely serve the purpose "as vast and elaborate couverture devised by the economists for escape from responsibility" as characterised by Gunnar Myrdal.¹ Investment decisions based on the use of accounting prices so as to maximise aggregate labour productivity by making use of surplus labour in countries such as India, are suspect under this head, as they involve "extensive cross subsidisation that cannot be borne by the Indian economy with its present cost-price relationships".² We are of the view that the extent of cross-subsidisation in industry and agriculture requires to be assessed in so far as the general complaint about lack of adequate incentives by the producers in industry-agriculture is not borne out by facts relating to profitability ratios in both sectors. We recommend that the purpose of giving subsidies should hereafter be employment generation through a specific project, without artificially interfering with the optimum level of technology and avoiding the mistake of slipping in the direction of an exaggerated capital-worker ratio approach unduly, as has been experienced in regard to the Ambar Charkha programme of the Khadi and Village Industries Commission.

4. PROJECT IMPLEMENTATION IN THE CONTEXT OF MAN-POWER PLANNING AND FAMILY PLANNING.

2.33. The advocates of manpower planning argue that most of the defects of employment oriented projects, in the sense of labour-intensiveness, arise from the absence of manpower planning. To the extent that manpower planning means the effective and efficient use of human resources at the national or State levels we may not dispute this claim. However, manpower planning has a somewhat different connotation in the context of a firm/company or at the level of the industry, either big or small. Here, it is basically a managerial concept involving personnel management and allied considerations. In either case, manpower planning carries with it a core of pragmatism of the kind that only industrialised countries with a high percentage of skilled labour can afford. Hence, one does not come across the mention of manpower planning in agriculture so often as one does in relation to industry although manpower planning in regard to agriculture has already been initiated under the auspices of the Ministry of Agriculture, State Governments and Technical Institutions.³ Here again, the approaches adopted

¹Gunnar Myrdal on "The Social Sciences and their impact on Society" in Hermann Stein (ed) *Social Theory and Social Invention*. Heinemann, London, 1966. pp. 143-63.

²Arun Ghosh: "On the Economic Theory of Socialism, An Exercise in Value Theory and its Applicability to Indian Conditions", *Economic and Political Weekly*, Vol. VII, No. 9 February 26, 1972.

for manpower planning matter a great deal. What is required, in our view, is a standing labour force for carrying out labour-intensive works, through labour cooperatives if possible, and assisting them to improve their skills. This will also form an important nucleus of manpower planning, in the long run in the agricultural sector that is at present concentrating in educated categories only.

2.34. Highly advanced countries viewing India or China with their teeming millions generally overstress the need for linking manpower planning with family planning as the latter serves to curb the demographic growth for their own well-being as well as to render the world a safer place. The impact of the theoretical ideas of full employment equilibrium of western economists who characterise it as the state of the economy when the growth rate of population equals the growth rate of capital is unmistakable. We do not like to enter into a discussion on this aspect here. The National Family Planning Programme in India aims at bringing down the birth rate to 25 per thousand within the next 8 to 10 years. The social impact of family planning on the religious susceptibilities of large communities and their relative levels of acceptance and rejection have also the quality of creating imbalances in employment levels and other problems in the long run. Whatever be the economic reasoning behind both manpower planning and family planning in India, it would appear to us that both smack of the overemphasis on the population explosion in the so called under-developed countries.

2.35. We are of the view that family planning programmes have not adequately integrated the economic reasoning behind it in relation to employment and unemployment although they have sought to convey this in terms of the general welfare of the family. We do not desire to underestimate the importance of several research areas that are currently receiving attention in international bodies such as World Health Organisation (WHO), the ILO and the Economic Commission for Asia and the Far East (ECAFE) etc. These cover inter alia (i) the economics of fertility reduction, particularly in so far as changes in employment and unemployment affect fertility, (ii) the effect of changes in population growth on output and employment levels, growth and structure and (iii) the effects of changes in population growth on income distribution and through income distribution on employment. Nor do we doubt the utility of similar studies for planning purposes eventually. However, we are of the view that motivational campaigns of family planning may have to be altered to impress upon the workers' psychology with its relevance to productive and gainful work. And for this purpose, the participation of workers and their organisations in the planning process has to be envisaged on a larger scale than hitherto. Our detailed comments on this are given in part III of the report. In regard to family planning and its rationale on general economic planning, however, we feel that the importance of the growth of the total annual output and the stock of capital at a constant proportionate rate compounded at the rate of increase of labour force and the rate of increase of output per man is an extremely idealistic if unattainable goal and that for the coming years of the Fifth Plan period, it is the improvement of social and economic rationality through the conscious limitation of family size that will supply it flesh and substance rather than feverish programmes at a tremendous cost of sterilisation amongst the ethnically robust sections

³Forecasting Manpower Demand and Supply — A Review of Methodology, IAMR, New Delhi, pp. 36-46.

of the people whose reproduction rate requires to improve rather than be artificially reduced. We agree that this is a debatable issue. We, however, welcome that the implementation of Family Planning programmes has resulted in the creation of a large number of Rural Health Centres offering possibilities of pursuing a systems approach calculated to convey the above in keeping with the cultural levels attained by the communities for whom they are meant, as laid down in the Approach Paper to the Fifth Plan.

2.36. The relevance of manpower planning in the macro-economic planning of India lies in the direction of increasing opportunities of gainful employment to all skilled and able-bodied citizens and reaching levels of full-time employment in the long run. This involves the problem of guiding employment patterns by deliberately reducing the excessive dependence of labour on agriculture or on unskilled labour in the industry or arresting the drift towards white collar jobs in the Government and its agencies and optimising it over the wider spectrum of sectors and institutions catering to a regular and sustained economic activity in keeping with our domestic requirements of balanced development. It is not disputed that this could be achieved only over a long period of time and the present trends of employment patterns in India are extremely discouraging to the planner. Manpower planning, therefore, becomes important so as to be able to discern and calculate the actual and desired pattern of demand for manpower as shown by employment patterns prevailing in India. Any change observed in the employment pattern in the country, where individual economic rationality, even less social rationality is taken for granted, is the disorganised picture of mutually stultifying circumstances such as the erratic vocational choices made by individuals, the faulty factor proportions used by employers, chiefly labour input and the make-shift policies followed by the Government and the mobility of workers from agriculture to industry during seasonal variations and on traditional lines. So far as India is concerned manpower analysis is, therefore, substantially confined to open employment and unemployment figures available with the Director General of Employment and Training (DGET) and similar organisations. We recommend that there should be a central institution doing manpower analysis in relation to the general employment levels in the country and that its activities should form the basis for drawing up employment plans. We assume that this point will receive detailed attention from the Panel entrusted with the fifth term of reference of the Committee.

2.37. The function of a self-reliant and national minded economic planning as contrasted with alienated planning approaches that feed on faulty and non-viable theoretical orientations and serving merely to distort the logical organisation of social knowledge, would be to assess human resources of the country and conceive of manpower planning from the bottom to the top and not vice versa. This would, in concrete terms, mean the assessment of the employment potential in the lowest strata of each village, block, district and State levels in the order of their magnitudes and not based on sample surveys for ever and the projections based on the rounds thereon. Although this question is remitted for study to the Panel appointed by the Committee, we recommend that the PEO data of bench mark coupled with Census data should increasingly assist employment project formulations to a greater extent than the surveys of National Sample Survey Organisation (NSSO). An aggregated approach in manpower planning stands the chance of committing grave errors in

forecasting and in this respect a facile adoption of statistical formulae and techniques will not naturally suffice. A disaggregated approach to manpower planning might, perhaps, start with district planning in the economic sense of the mobilisation of natural and human resources for the dynamic generation of greater economic activity and result in productive and gainful employment. Such an approach *ipso facto* would confer special importance on State economic planning, which is somewhat organisationally incipient and conceptually far from being systematic at present. We recommend that the State Planning Boards, now established, be put on a permanent footing and strengthened to aid the planning process and for this purpose the Centre should take immediate steps to ascertain their requirements of personnel, material facilities and similar essential considerations. Left to themselves the State Governments are apparently not sufficiently energetic in putting their Planning Boards and administrative machinery for collection of statistics on an efficient footing. This deficiency affects national planning. All these drawbacks have been brought out in the "Report of the Working Group on Evaluation in the States", Planning Commission, 1964. We recommend that a similar effort should be made specifically to strengthen the data base of the States as soon as the detailed tables of the Census, 1971 and the latest NSS rounds are available.

5. EDUCATIONAL PLANNING AND EMPLOYMENT

2.38. Although this topic forms part of the terms of reference of the Working Group on Education, we have also deliberated over the implications of the various schemes for employment generation among the educated unemployed that have been dealt with by us in the appropriate sections of the report. The future structure of the educational system is not only a subject of discussion in India but also in several advanced countries of the world. No ideal scheme can be put forward under Indian conditions either by any educational scientist or responsible politician that will meet the requirements of manpower planning or for the cultural advancement of the country posited on adequate economic development. It is well-known that long-term planning of education has been frustrated by several factors. We are of the view that whatever might be the surface impression, there are tendencies towards rationalization of thought and life and this, therefore, constitutes the basic plank of all future educational planning in the country. The resulting product has to be a more economically active individual and not the anonymous entity of the unemployed man as at present. Our broad consensus on the type of educational planning that is required for employment generation on a continuing basis is stated in the following paragraphs.

2.39. We recognise that education aims at preparing children to become useful citizens. The broad concept of imparting education has to be broken down into specific ideas and measures meant for different sections under the broader heading of educational planning. It has been acknowledged by the Constitution of India that elementary education is an universal and minimum requirement. Secondary and higher education, however, are to follow certain social and vocational patterns. In view of the importance of providing jobs for the backlog of the educated unemployed, the rationale of imparting education is viewed from different angles and also from the stand point of the economics of education. We have observed that there is considerable stress on vocationalisation now

at all levels and it is our considered view that this aspect need not be either underestimated or overemphasised. Vocationalisation implies skill formation amongst the youth at various levels and this cannot be divorced from considerations of manpower planning for the country as a whole.

2.40. At the elementary level (6 to 14 age group), we would recommend that the practical work within the class room or outside should aim at making it a part of the curricula in order to promote a better understanding of what the children learn in school and what they see outside. The identification of skills and the promotion and development of aptitudes made at this stage are likely, in our view, to result in the practical course that will be preparatory to vocational training at higher stages.

2.41. The importance of liberal education has been mooted in contrast with vocationalisation that is required for promoting self-employment in the country. In our view, liberal education by its very connotation falls outside vocationalisation and is largely confined to the pursuit of academic and intellectual interests of the broad variety which also indirectly prepares the students to face the practical world. A section of the students from the secondary to higher university level will, in our view, come within this category of their own free choice. Here also some amount of practical work given to them both inside and outside the institution would assist in making the liberal education reality-oriented so as to enable the students to become practical in their outlook. At the secondary school level the creative energy of the youth (15 to 17 age group) can be easily channelised into creative work programme as a part of liberal education. We consider that the general school education, not exceeding 11 years requires to be broad based on the liberal education covering arts, science, language, mathematics and practical work, unless this is bifurcated into a system of vocational training course. Several schemes of vocational training at the school going age are in operation in the country at present. In our view all vocational schools should operate for students who have completed their liberal education up to the age of 16. Thereafter, a broader duration course, not exceeding two years should be sufficient in the technical and vocational schools to supply them with the right motivation and prepare them for employment. It is found that where vocational training starts at a lower level (say, after class VIII), extra time is assigned for preparing the young students for mathematics, science etc., before they can go on to the actual vocational part of the course. We, therefore, feel that vocational training courses should start after completion of liberal education which gives them better preparation for undertaking and utilising vocational courses.

2.42. In regard to higher education in the colleges and universities, we feel that it is necessary to appreciate as well as interpret the concepts of practical orientation and vocationalisation underlying educational planning. At this level and also under the present system, some of the courses are found to be vocationalised as in respect of professional courses like engineering and medicine. Other courses such as science and arts are not vocationalised so that the spirit of higher education in these fields may come in conflict with the concept of vocationalisation. We have observed that normally, these fields deal with the basic intellectual discipline in the respective fields. It may, therefore, somewhat betray the purpose of higher education for arts and science if the policy of vocationalisation is made applicable in regard to science and arts in a

precipitate manner so as to render the students "trade-oriented". We are of the view that while vocationalisation would restrict or dilute the process of learning in these fields, it is quite possible to re-orient the courses to establish the linkage with the practical realities associated with the subject. In this respect a student of Chemistry should not merely confine himself to the subject with its limited text book approach of chemical reactions and formulae but should also be drawn into the larger frame of reference with the practical aspects of the growth of chemical industries in the country and the various chemical processes and techniques adopted by them. In short, we are of the view that all fields of study have a direct bearing on the national setting and that is what requires to be brought out in the students so as to give a practical orientation to their studies that will also eventually supply them with a work-motivation utilising their acquired skills. Here lies the genesis of entrepreneurship as well. We are of the view that the lack of adequate number of young entrepreneurs in the country could be traced to the defective system of our education and the two are inter-related.

2.43. Basically viewed the transformation that we desire to bring about through planning is in the mental attitude of the student and not merely in his manual or professional orientations prematurely, without the preparatory phase of the former. A change in the attitude of this nature without vocationalisation of the education is to be welcomed in the larger interest of educational planning as it prepares the minds of students to grapple with the practical realities of the world, a matter in which our liberal education is found to be seriously deficient at present. The delinking of intellectual process underlying education from national realities has apparently created a serious gap in the mental make-up of the students and this is reflected in professional education also to a large extent, notwithstanding the fact that curricula in engineering and medicine are at present accompanied by practical work.

2.44. We have observed that the medical graduates knowledgeable in matters of medicine and public health continue to be woefully unaware of the rural health problems in view of the considerable degree of urban bias imparted to their training in a highly sophisticated environment. It is, therefore, natural to find the medical graduates uninterested, by and large, in the nature and scope of preventive medicine that is required by most of the common people. Their interests are, therefore, found to be confined to specialised treatments based on academic and professional recognition that also results in better remuneration. We are of the view therefore, that a professional education of a highly vocational type can bring about a serious alienation of the minds of the medical graduates and others from the prevailing national realities. It is, therefore, necessary, in our view, to bring the element of national purpose by the special reorientation of professional courses which are subject to this hazard.

2.45. Seventy per cent of the labour force of the country being illiterate, with only 7 to 8 per cent under the category of 'educated' and with less than one and a half per cent graduates, the problem of providing productive and gainful employment assumes paramount importance. With more than half a million graduates under the unemployed category at present, the devising of ways and means of employing them through various State sponsored schemes and also through the opportunities provided for self-employment will call for the economic appraisal of these

schemes in terms of cost benefit. The task of educational planning, in our view, should not stop at providing jobs for the educated but also extend to assessing the economic and social benefits derived by the society at large through such employment. In this respect, we are of the view that the direct correlation between education and increase in productivity in both agriculture and industry cannot be disputed and that with a greater investment in education of the labour force there should be both improvement in skills and a more rational and efficient use of the scarce factor of physical capital. We consider this a basic issue of planning for employment in India and have therefore, dealt with it, at some length, in Parts II and III. Similarly, we attach great importance to functionally-oriented adult education. Retraining programmes through a proper nexus established between vocational schools and adult educational establishments appear to us as a basic necessity. We anticipate that this will be examined by the Working Group on Education.

2.46. Whereas the immediate steps to be taken should be in the direction of providing jobs to the various categories of skilled personnel, there should also be, in our view, planning of the objectives of the education in relation to the cost involved. An estimate of the additional employment required for the next 3-4 years of scientific and technical personnel and the per capita and annual cost involved is given in Appendix IX.¹ Subsidising higher education in the country at a heavy cost as at present should normally take into account the long term benefits that would accrue to the society through their employment, failing which they should seek self-employment opportunities using their acquired skills rather than search for opportunities abroad. An estimate of Indian scientific and technical personnel serving abroad for 1970 is given in Appendix X. In this regard we agree with the view that unemployment may be termed as a sort of internal brain drain while losing qualified personnel to foreign countries through the lack of planned use of human resources constitutes external brain drain.²

2.47. We have observed that in several States, particularly in the north, there is no proper emphasis on science education at the secondary school level. Adequate importance has not been given to science education and this is evident from the calculations made on the basis of per unit of population. Science education at the university stage is lowest in Rajasthan with only 500 per million of population as compared with 2,200 per million in Kerala. The corresponding figures for school curricula are not available. However, there are several schools where it would appear that there is no teaching in science at all. It is also true that there are a large number of science graduates, unemployed in these areas. The percentage-wise position of unemployment among science graduates based on 1971 Census for the States is. Bihar (41 per cent), Kerala (37 per cent), West Bengal (34 per cent), U.P. (18 per cent), and Maharashtra (16 per cent). These percentage variations are, however, governed by the total annual outturn rather than the optimal outturn based on educational planning.

2.48. There can be, no doubt, that science education at the secondary school level on a larger scale than hitherto, would strengthen the educational pace of the students who go for industrial training and general vocational orientation at the end of the school stage. From both

¹ K. Ray on 'Unemployment and Brain Drain' *Economic and Political Weekly*, Vol. VI, No. 39 September 25, 1971.

² *Ibid.*

the point of view of providing the minimum scientific background to the high school students as well as from the point of view of finding increased employment opportunities for ordinary science graduates, it may be necessary to introduce science education in all secondary schools. This, no doubt, is a subject which we feel is being gone into detail by the Working Group on Education. We would like to state that one of the major avenues open for the science graduates in all States is in the teaching profession at the high school level. We believe that this opportunity should be fully utilised at the secondary school level.

6. MANPOWER PLANNING AND EDUCATIONAL PLANNING

2.49. An important offshoot of manpower planning is educational planning because open employment patterns in the country vary ultimately with educational and career preferences of the younger people. Distortions in employment patterns are also caused by inadequate educational system that calls for planning on the lines indicated by us in the previous paragraphs. The manpower needs of India are best judged in terms of its educated classes, their occupational goal formations and resulting employment patterns on the one hand and overall requirements of scientific planning of the various sectors of the economy, on the other. It is the demand forecasts in the perspective Plan that should decide the supply of skill formations through educational planning at the Centre and the State levels. There is reason to surmise that the present top heaviness in this matter is due largely to the neglect of this important aspect at all levels. Manpower planning that is in vogue in the country has not adequately responded to the challenges of this situation and therefore, requires, in our view, a thorough overhauling. The position of unemployment among graduates and undergraduates based on the Census, 1971 as given in the table below shows the magnitude of the problem of combining manpower planning with educational planning on judicious considerations.

TABLE I.1 :—*Unemployment among Graduates and Post-Graduates as per Special Census Enumeration, 1971—Percentages.*

Subject Field	Post-Graduates* (including Doctors)			Graduates*		
	Seeking employment	Not seeking employment	Total Unemployment	Seeking employment	Not seeking employment	Total Unemployment
Science (other than Agriculture). . .	10.05	2.91	12.96	19.18	5.55	24.73
Agriculture . . .	7.25	0.70	7.95	13.92	1.26	14.58
Engineering and Technical. . .	4.62	0.45	5.07	11.51	0.66	12.17
Veterinary . . .	1.47	0.13	1.60	6.71	0.29	7.00
Medical . . .	2.00	0.53	2.53	5.31	1.02	6.33
Arts . . .	10.36	5.70	16.06	15.10	8.67	23.77
Commerce . . .	7.07	0.93	8.00	16.36	1.76	18.12

Source : Technical Manpower Bulletin of the Division for Scientific and Technical Personnel, CSIR, Vol. XIV, April, 1972, No. 4.

*Retired and unspecified categories have been excluded from the Census data arriving at the percentage.

2.50. The economics of education obtrudes into the situation as the main impediment to educational planning and in this respect the study of employment patterns in India cannot be divorced from the disorganised pattern of the educational system since Indian independence. Sociologically viewed, a substantial degree of social problems faced by us today can also be traced to the faulty educational planning overlooking the economics of education in the country and the elitist notions of imparting higher education at a heavy price far beyond the means of middle income groups in the country. Psychologically viewed, the excessive social concern shown for the educated unemployed at present is also substantially due to this background. We would not like to pursue this approach here any further as this subject is dealt with again in Part III.

2.51. The difficulties of the manpower planning approach in India arise substantially from the absence of reliable statistics on employment and unemployment that render manpower projections on supply and demand highly vulnerable. The utilisation of manpower at the company firm level is vitiated by the pervasive malpractices of avoiding legal obligations, enforcement of labour laws and the general lack of managerial ideas even at the higher levels of their organisation including even some public sector undertakings. Therefore, to give precedence to manpower planning efforts over basic issues of economic regionalisation and economic planning with its relevant issues at the district level is veritably like putting the cart before the horse. Nevertheless, such an approach has become inevitable under conditions of our dependence on foreign aid and economic counsel far too long after independence, so that the institutions that have sprung up during the last two decades are found to seek international alignments by using the same clichés and worn-out approaches without embarking on a constructive mood of self criticism and reappraisal of the renovated roles that they have to play inexorably in the seventies.

2.52. A Plan project or even a non-Plan project, either of the Centre or the State cannot dispense with the approaches of manpower planning and in this respect it has greater chances of success, on all evidences, than a project-based macro-economic planning allied to macro-projections of manpower in the country. Under Indian conditions, however, we are of the view that there are certain other aspects that require to receive consideration alongside manpower planning and employment generation. These are broadly (a) the economic regionalization of the State within whose matrix the project-district figures; (b) the geographically conditioned labour market of the area and the mobility of labour within it as between agriculture and industry; (c) the general level of patterns of employment within the district governed by the percentage of backward communities, absentee landlords, absence of industry/and similar indicators of backwardness. We do not propose to lay down any detailed criteria for manpower planning but would like to stress that the present approaches require drastic reorientation based on social variables and the special characteristics of the labour force in the different parts of the country.

2.53. To the extent that employment generation is expected to follow in the wake of the industrialisation of backward areas and political pressure is known to be brought to bear on the industrialists to locate industries therein, it may be surmised that all such moves have to be

carefully based on an assessment of infrastructural facilities including availability of manpower, in the sense of a skill concept. Similarly the experience of quick infrastructural development in irrigated areas in the wake of the Intensive Agricultural Development Programme (IADP) and the High Yielding Variety Programme (HYVP) in the agricultural sector is no guarantee that a project of agricultural development or the implementation of a scheme, could kill two birds with one stone, *viz* provide employment as well as increase agricultural output.

2.54. We are inclined to take the view that the comparative lack of success attending the implementation of crash programmes has been due to the misplaced enthusiasm about the capability of the agricultural systems of the districts to react synergistically to the inputs conceived *a priori*. The evaluation of the employment potential of these schemes remains hypothetical for the present in terms of man-years and can be related to facts only after some of the studies entrusted by the Committee to the Universities, are made available. A determined State induced drive towards capital-intensive, mechanised and market-oriented agricultural development such as that embodied in the new agricultural strategy since 1966 for the sake of quick yielding results, primarily in the nature of increased production, cannot have much to do with manpower planning in the country-side. We have observed that the importance of labour economics and the general public interest in labour, particularly agricultural labour has gone down in spite of the findings of the National Commission on Labour and their various working groups, in so far as the overall emphasis on the new agricultural strategy has minimised either the input of labour or reduced its role in the production functions. Whatever employment generation that has resulted in the wake of the introduction of the new agricultural strategy has, therefore, been only tangential to it and not a direct result as such. Multiple cropping, increased employment opportunities flowing from minor irrigation, energisation of tube wells, rural road extensions and rural housing remain, by and large, an idyllic pattern of increased employment generation visualised in the context of countrywide agricultural development that had relegated the role of labour to the background and treated employment generation as a secondary objective only, on belated second thoughts. This is so, for the reason that agricultural planning has never been discussed holistically in the country obviously due to the palpable constraints to such an approach and, therefore, partial approaches have come to prevail.

2.55. The plethora of empirical studies, including Farm Management Studies and those in agricultural economics by Agricultural Universities, Agro-economic centres etc., have not highlighted the need for agricultural planning including crop planning except in relation to price incentives. Employment gains have been marginal whereas the profitability ratios in well managed, large farms have, by even conservative reckoning, risen to tremendous proportions in States like the Punjab. The social conflicts engendered by this trend in various States are current knowledge so that there is ground to doubt the absolute viability of Plan projects of a similar nature for the overall objectives of social justice, eradication of poverty and self-reliance. We do not like to prejudice here the viability of recommendations that the Working Group on Agriculture would make in this regard. However we feel that the technological developments in

agriculture in recent years have a definite additive character to unemployment and cannot be explained away under planning. We recommend that corrective steps should be taken by the Government in supplying a proper focus to labour studies in relation to agriculture with emphasis on socio-economic characteristics. We have, therefore, addressed ourselves to the question whether the creation of market towns, growth centres and spatial planning in general offer any solution in this context for employment generation *i.e.*, in the context of a renovated approach under the Fifth Plan.

7. SPATIAL PLANNING AND EMPLOYMENT GENERATION

2.56. We have observed that the primary focus on spatial planning in India started with the emphasis on regional and urban development that was accorded particular recognition in the Third Plan. Regional studies in respect of certain metropolitan regions have been initiated. The concept of market town came to be mooted in relation to the problem of marketing agricultural produce in the regions where agricultural technology succeeded in a phenomenal fashion as in the Punjab. The development of market towns continues to be discussed for evolving a policy framework for spatial development covering the creation of market towns for a certain number of clusters or contiguous villages and the infrastructural facilities available for the purpose. However, in regard to employment generation, we have observed that that degree of interest is not shown for long except during the second half of the Fourth Plan period. It is now accepted that by and large, the development of market centres or market towns should provide employment opportunities in agriculture, industry and commerce and that there should be adequate irrigation possibilities in the surrounding areas so as to ensure the steady flow of marketable surplus into the market towns and thereby give rise to subsidiary activities of trade and commerce largely dependent on agro-based industries. It is also, generally, agreed that the purpose of identifying areas suitable for the development of market towns should be the proper mobilisation of natural and human resources with the assistance of technology and technically qualified personnel to fully survey and exploit this potential as has been the purpose of Ground Water Surveys and Rural Engineering Surveys. The rational use of transportation and means of communication in the process of development has also been recognised so as to render the market town a centre of economic activity capable of supporting an optimum number of population in keeping with the endowment of the area in question.

The Postulations of the Annual Plan, 1972-73

2.57. Whereas the discussions on spatial planning have been taking place sporadically at the academic and intellectual levels without any commendable clarity of the objective of employment generation *per se* we have observed that the Planning Commission has proceeded on pragmatic lines to set up a Task Force to promote a developmental interaction and the consideration of various schemes that have a large employment potential. We welcome this initiative on the part of the Planning Commission as a highly desirable and forward-looking move after the Mid-Term Appraisal. For example, the Annual Plan, 1972-73 has identified the deficiencies in overall implementation of Plan and non-

Plan programmes from the spatial planning viewpoint under two broad categories:—

- (i) "Various rural development programmes and schemes are still *ad hoc* in character and suffer from wide disposal and fragmentation over districts/areas, the result of this lack of systematic synthesis of various programmes is the overlapping of financial and organisational resources."
- (ii) "another consequence is the ineffectiveness of the impact of developmental effort."

2.58. These observations have been largely confirmed by the oral evidence deposed before the Working Group on the Plan by special invitees. We have had also the opportunity of eliciting the views of various Government officials and other prominent persons. All our findings tend towards the confirmation of these views expressed by the Planning Commission in the Annual Plan, 1972-73 and therefore, we endorse its approach as being on right lines.

2.59. We have observed that the Annual Plan, 1972-73 has postulated two broad objectives that are intimately connected with physical planning on the spatial axis. It has been stated that "in a defined rural area realisation of the fullest production potential must be attempted by mutually reinforcing measures connected with development of local land and water resources and the provision of all complementary production inputs and organisational improvement." Secondly, it has been stated that "the development promoted in the defined rural area should be as broad-based as possible so that the large mass of the rural people, particularly the small farmers, marginal farmers, agricultural labourers and artisans are enabled to participate in development and share the benefit of development." The Annual Plan has highlighted the distinction between Integrated Rural Development (IRD) on the above lines and the IADP. While the IADP aimed principally at providing the farmers with inputs and services, the IRD's objective has been found by us to have more relevance to spatial planning in an integrated sense "of re-fashioning the productive apparatus of the rural economy of the area in terms of its land and water resources, by undertaking measures such as consolidation of holdings, land shaping, realignment of water resources, construction or reorganisation of the drainage system and the strengthening of other activities which will be complementary to other programmes." Similarly, the IRD also transcends the scope of the SFDA. MFALA programmes by conceiving in the project area "an effort towards optimum area development as a necessary condition for improving the economy of small and marginal farmers residing within the project area.

2.60 The Annual Plan, 1972-73 has also outlined the Planning Commission's approach towards integrated development of hill areas as well as dry areas. The differentiated approach of these two programmes are bound to involve the united labour of multi-disciplinary teams of workers and offer scope for greater employment through spatial programmes and projects of development. From the standpoint of spatial planning we welcome the move to replace segmental or partial approaches in development with holistic or integrated programmes aiming at spatial planning.

Aspects of Industrial Planning and Employment Growth

2.61. Industrial planning in relation to the location of industries or dispersal of industries from their existing agglomerations in or near port

cities, the creation of growth centres with industrial and commercial estates etc., had admittedly not received attention in relation to employment generation until recently in so far as only the broader aspects of industrial planning and development such as the public and the private sectors had received attention in the industrial policy resolutions in keeping with our mixed economy. However, in the present state of industrial development, inter-industry relationship and spatial aspects play an important role in generating employment provided industrial complexes could be developed with small and medium enterprises depending on a parent unit which manufactures the materials to be processed. The problem of determining the lines of spatial planning covering industries will have to take into consideration the three different types of industrial complexes that have emerged. There is, firstly, a complex consisting of large capital intensive parent unit making intermediate products, durable consumer goods or machinery surrounded by ancillary units based mainly on backward linkages with the main production unit. A second type relates to development based mainly on forward linkages and a third type does not seem to have a central core in the form of a parent unit but instead is a conglomeration of several industrial units.

2.62. Taking an overall view of all the three types, the Joint Workshop on Employment Generation arranged jointly by the Committee on Unemployment and the ILO in New Delhi from 2nd to 7th August, 1972, stressed the need for the integration of industrial planning within the area development planning. We are in agreement with the recommendation of the Workshop that industrial planning at various administrative levels, particularly at the time of industrial licensing should pay more attention to inter-industry linkages and possibilities of breaking down industrial processes with a view to evolving ancillary arrangements. We endorse the recommendation of the Joint Workshop that Area Development Authorities should be set up to begin with in areas with already existing industrial complexes to stimulate and coordinate integrated development of areas and that they should in the first stage develop the further potential for ancillary development and at later stages, develop infrastructure and further employment-oriented growth. We are convinced that sub-contracting arrangements and its promotion in the private sector through suitable incentives are likely to bring about higher levels of employment in the areas where industrial complexes are already operating and that with the development of agriculture in the surrounding areas the objectives of integrated spatial development would also be fulfilled in the long run.

Importance of Town and Country Planning

2.63. We agree with the view that to achieve balanced economic and social planning, it is imperative to keep in view the inter-dependence of rural and urban areas and therefore, regional and urban development should go together under the broad heading of spatial planning. The employment situation is conditioned by the migration from rural to urban areas transcending State boundaries and for large cities like Bombay and Calcutta a sizable part of seasonal labour force is supplied in this manner. The stabilisation of employment in certain geographical areas will also result, in our view, in defining a natural labour market and for this purpose, town and country planning on a large scale is an effective instrument. Any rapid progress made in this direction is likely to reduce the urban pull by the basic attractions of obtaining employment nearer

home. This will also have a long term effect of reducing urban congestion in housing etc. We have observed that the recent trends in planning at the regional level have been to prepare plans embodying a long term strategy for the region for a projected period of 20 to 25 years. Within the framework of this Plan with long-term strategy, we feel that a shorter Plan with an interim strategy projected for a period of 10 years could be worked out and within this framework a detailed comprehensive plan for implementation for a period of five years could be projected. We are of the view that what needs to be taken care of is that the short term five year plan does not in any way jeopardise or prejudice the long-term strategy.

2.64. We have observed that the plan for the growth of urban centres has been recognised as an important instrument of State policy and kept as an objective in the Five Year Plans. The need for a national policy on urbanisation has also been felt in so far as the spatial location of economic activity and the stabilisation of rural-urban migration have been assuming tremendous importance in relation to unemployment problems both in the rural and urban areas. From the stand point of spatial planning, we are of the view that it is necessary to decide as a matter of policy whether an urban area is to be given an administrative bias or a trade and commerce bias or an industrial bias. As an urban settlement cannot sustain its economy only on one sector, we feel that the diversification of the economic activity cannot be avoided and that in the long run one sector of the economy is bound to attain the status of a principal economic activity. From the employment viewpoint also this situation will reflect itself on the type of skills and levels of employment. We are of the view that the minimum needs programme spelt out in the paper "Approach to the Fifth Plan" incorporating seven basic needs viz, elementary education for children up to the age of 14, minimum public health facilities integrated with family planning and nutrition of children, rural water supply, homesites for landless labour, rural roads, rural electrification and slum improvement in the larger towns will generate economic activity on a vast scale through the implementation of a mix of projects that will improve the aggregate of social benefits. To this list we have recommended the addition of rural housing in the appropriate chapter as a *sine qua non*. We recommend that Town and Country planning organisations should be involved in drawing up interrelated projects covering their minimum needs with shorter time horizons as already suggested in the previous paragraphs and carefully watching the growth of employment continuously.

2.65. Our attention has been drawn to the fact that although most of the States had set up their own Town Planning Organisations by 1968 by utilising the 100 per cent grant made available to them under the Centrally sponsored schemes for preparation of urban and regional plans of the accepted areas within the States, there has been no uniformity in the matter of the introduction of comprehensive town planning legislation. It would appear to us that the priority given to town and country planning and development in the States has been given up since the beginning of the Fourth Plan when this 100 per cent grant was discontinued and made a part of the bulk grants and loans. We recommend that under spatial planning the practice of giving 100 per cent grants to the States should be so revived that they may move in consonance with the spirit and requirements of a national policy on urbanisation through proper town and country planning.

PART II

AN EXAMINATION OF THE ONGOING CENTRAL SCHEMES UNDER THE FOURTH FIVE YEAR PLAN

CHAPTER 1

INTRODUCTION

3.0. The problem of the educated unemployed has been facing the country at various levels and in varying proportions during the first half of the Fourth Plan period. Although the draft Fourth Plan and specially emphasised the creation of new employment opportunities by increasing the tempo of agricultural development through various measures, there was admittedly no specific effort on the part of the Government to formulate schemes for the absorption of the educated and technically qualified personnel in productive and gainful employment during the first two years of the Plan. Economic growth was expected to take care of the problem of unemployment in the long-run. However, since doubts began to be entertained on this score, there has been a special effort in this direction from the Annual Plan, 1971-72 onwards, largely in view of the acuteness of unemployment that had made itself felt in a vocal manner since 1970. The estimates of unemployment among the technical manpower made by the Division for Scientific Personnel, Council of Scientific and Industrial Research (CSIR) based on the 1971 Census placed them at 162,000 in April, 1971. These included scientific, engineering, technological and medical personnel. About 32,000 were unemployed but were not looking for employment. Of this, over 22,000 were women. Arts and commerce degree holders numbering 385,000 had a backlog of unemployed to the extent of 259,000 in April, 1971. Appendices XI to XVI based on the CSIR figures reveal the magnitude of unemployment among the technical personnel.

3.1. In regard to matriculates and their equivalents, the number seeking employment, based on the Live Registers of the Employment Exchanges as on the 31st December, 1971, stood at over 1,907,000. The out-turn of these categories during 1971 was placed at 1,000,000. It is, however, probable that only a small percentage of this number could be counted as having gone in for collegiate education. The problem of absorbing matriculates in suitable jobs, therefore, constitutes the veritable core of employment strategy under the balance period of the Fourth Plan as well as the Fifth Plan.

3.2. The scientific and technical personnel together with matriculates constitute the spearhead of progressive outlook. The phenomena of unemployment of an acute nature amidst them have a pervasive effect on the morale of the country as a whole. As this is inconsistent with the objective requirement of economic planning based on proper manpower utilisation, the problem of employment generation to absorb this category of the educated youth, poses itself in specific terms of formulating programmes for their gainful employment in the different sectors of the economy. In this section, we propose outlining our views on the nature and scope of the ongoing central schemes that have potentialities of

generating employment, although many of them are of recent formulation and their implementation has hardly borne results.

3.3. Our main objective has been to stick to our terms of reference and to examine the adequacy or otherwise of those schemes from the stand-point of their conception, execution in terms of economy and productivity. As the implementation takes place at the State level, many of the Central schemes are dependent on the cooperation of the States to provide infrastructural facilities. Judging from the fact that many schemes were drawn up with expedition before the expiry of the budget year 1970-71, they do not always reflect a pre-assessment of infrastructural facilities at the States level in systematic terms. In several cases, the lack of fuller implementation has been caused by the delay in the creation of these facilities, although there has been an adequate financial outlay for the purpose. The non-utilisation of funds earmarked and sanctioned for schemes to the full-extent is a clear indication of operational difficulties. We propose to deal with this aspect under the various employment generation schemes.

3.4. In the analysis of the Central schemes given in the following pages of the report, we have been handicapped by lack of fuller details about the stages up to which they have been implemented, the utilisation of funds, and the evaluation of the major difficulties encountered at the initial stages. However, we have been assisted by our discussions with various departmental officials and the public. Our visits to some of the States have helped us in ascertaining the details of the implementation of the Central schemes and also in verifying the stages at which the formulation and implementation of the State schemes have reached at present.

3.5. We have observed that in a large number of employment oriented schemes, the underlying principles have been followed without the adequate base of supporting statistics. Many of these schemes, therefore, are based on assumptions that cannot withstand scrutiny from this standpoint. As the organisation of statistics is currently at various levels of efficiency in the States, we have formed the view that the reformulation of schemes should hereafter be preceded by the collection and analysis of statistics that will lend evidence about their viability *a posteriori*. We also feel that there is need for a project to project approach in respect of the schemes and not merely a programmatic approach, in the sense that employment generation through a scheme should be well defined in terms of economic, financial and organisational criteria to produce the desired result. However, as the schemes have been formulated in some of the Ministries of the Government with inter-departmental consultations only, we find that their implications in terms of employment generation have only touched upon rough calculations of employment—investment ratios based on existing considerations. A project to project approach which has been recommended by the Annual Plan, 1972-73 appears to us as more desirable in the long run. We propose to include our detailed suggestions on this in the report.

CHAPTER 2

AGRICULTURAL DEVELOPMENT AND EMPLOYMENT GENERATION

Introduction

4.0. While recognising the overwhelming importance of the agricultural sector in relation to the Central and State schemes for employment generation, we are convinced that this is specifically due to the fact that approximately three quarters of the total employment, half of national income, about forty per cent of the capital formation and three quarters of the exports, including manufactured agricultural products are accounted by this sector. Indian planning during the past two decades has been involved in the mobilisation and allocation of economic resources including that of agriculture within the overall economic development strategy. The new agricultural strategy that came to be embodied in the Fourth Plan has, therefore, represented a significant departure from the previous efforts under the Plan and has emphasised, *inter alia*, the provision of productive and gainful employment to the rural population.

4.1. Agricultural technology that has hitherto represented a sophisticated package for meeting production input requirements, irrigation, plant-protection, energy, seeds, the distribution of inputs and outputs and the cumulative shaping of economic policies, chiefly based on cost-price stability and continuing scientific research and technology has had to reorient its programmes towards the betterment of the socio-economic conditions of Indian farmers through the proper identification of their problems and also the supply of the much needed feed-back to the planning body so as to bring about appropriate modification in our Plan approaches. Several age-old problems relating to land and production economics have, therefore, come to the surface and are required to be solved during the coming years. The paper "Approach to the Fifth Plan" has, in the present context, correctly ascribed the main causes of object poverty in India to (1) open unemployment, (2) underemployment and (3) low resource base of a very large number of producers in agriculture and service sectors. With a view to maximising all possible avenues for productive employment and assuring a minimum level of income, 10 employment intensive heads of development have been identified by the Planning Commission. These are (1) minor irrigation; (2) soil conservation; (3) area development; (4) dairying and animal husbandry; (5) forestry; (6) fisheries; (7) ware-housing and marketing; (8) small-scale industries including agro-industries; (9) roads; and (10) special programmes such as the SFDA, MFALA, CSRE and Drought Prone Area Programme (DPAP). We are in full agreement with this disaggregated approach.

4.2. Employment generation in the agricultural sector through the implementation of the Central and State schemes is the purview of the Working Group on Agriculture and we are confident that the larger national issues of agricultural development will also be gone into by them. We would, therefore, like to confine our attention to the major Central schemes included in the Fourth Plan that comprise several heads of employment-intensive programmes listed above. Our observations are

largely based on secondary sources, supplemented by our discussions with the State officials in charge of implementing the various schemes. Hence, we suggest that our comments need not be treated as being exhaustive under any particular head as they are limited to a rapid evaluation on the basis of discussions that are largely unsupported by factual evidence. We would also not like to preempt the Working Group on Agriculture of any of their specific recommendations based on a deeper study and detailed discussions.

The Small Farmers Development Agencies, Marginal Farmers and Agricultural Labour Agencies, and Crash Scheme for Rural Employment (SFDA, MFALA and CSRE)

4.3. We have observed that the formulation of the above schemes was preceded by some measure of statistical exercise.¹ The findings of the National Sample Survey (NSS) have shown that small landholders form 52 per cent of the total rural households, but only 19 per cent of the crop area is comprised of small holdings as such. The experience resulting from the introduction of agricultural technology has, by and large, shown that large farmers benefited from it far out of proportion to their numbers. The schemes have, therefore, been based on the objective of spreading the benefits of agricultural technology to small and viable farmer with holdings, not exceeding five hectares. By the very nature of the agricultural technology, however, the schemes were credit oriented in the sense that the major difficulty for the small farmer was in regard to obtaining financial credit to undertake farming and rising above the subsistence levels. The paradox of the working of the schemes so far has lain in the fact of the time-lags in financing and refinancing of loans to the farmers and the efforts made to ease this situation originating from the rigidities of the past. As these issues have been fully discussed by the National Commission on Agriculture in their Interim Report, "Credit Services for Small and Marginal Farmers and Agricultural Labourers" December, 1971, and the entire question re-examined by the Banking Commission, 1972, we do not like to make any comments on the working of these Central schemes from this viewpoint. References to credit given below are, therefore, merely to narrate the structure of the schemes.

4.4. The SFDA scheme, envisaged the setting up of Small Farmers Development Agencies in 46 districts, each catering to about 50,000 potentially viable farmers who could be rendered viable through the provision of supervised agricultural credit and integrated development of minor irrigation facilities, soil conservation measures, animal husbandry programmes etc. Each of the 46 products has a separate Agency registered under the Societies Registration Act and is functioning under the Chairmanship of the Collector/Deputy Commissioner. The number of participants initially identified was around 25,000. In terms of the expansion of credit a sum of Rs. 10 lakhs each would be given under the programme to each central cooperative bank in order to increase their lending capacity. Forty three such banks have been listed so far. As part of these efforts Rs. 172 lakhs have been released for 29 central cooperative banks. The Small Farmers Development Agency will not be giving credit directly but will function mainly as a catalyst and stimulate

1, See Appendices XVII to XXIII.

the flow of credit through various institutional agencies. It has been envisaged that for this purpose, it would provide a risk fund to the co-operative institutions. Similarly, the Agency will assist the institutions concerned with the distribution of inputs, marketing, processing and storage to enable them to build up adequate infrastructure for improving the facilities in the project areas. In regard to credit and marketing that have a bearing on the efficient performance of the SFDA/MFALA on employment generation, we agree with the detailed findings and endorse the recommendations of the National Seminar on Small Marginal Farmers and Agricultural Labourers Programmes (April 11—13, 1972, New Delhi). As these relate largely to the improvement of credit facilities we would not like to embark on their analysis any further except to state that unless the very structure of the Agency is strengthened in the immediate future, all possibilities of sustaining the employment levels reached would be defeated.

4.5. While the Fourth Plan had made an outlay of only Rs. 67.50 crores for the SFDA, from the implementation stage of 1970-71 onwards, more funds have been canalised since then. Up to the 31st March, 1971, the expenditure incurred by the Agencies was Rs. 89 lakhs. During 1971-72 an expenditure of Rs. 545 lakhs was incurred by the Agencies. During these two years Rs. 857 lakhs had been released to the different Agencies. During 1972-73, Rs. 35 lakhs had been released by the end of May, 1972. We recommend the continuance of the programme in the Fifth Plan period and also a higher outlay for the purpose. In this respect, we are of the view that continuance of the scheme could be thought simultaneously in terms of the possibilities of their extended coverage. For example, both the SFDA and MFALA could be extended to the 225 industrially backward districts already identified, under the present conditions this will require an outlay of Rs. 600 crores during the Fifth Plan period. If the coverage is extended substantially to additional districts which offer potential for the development of dry farming, this outlay may have to be raised further. We recommend that future planning will have to take into account these alternate possibilities and their financial implications.

4.6. In envisaging a longer period of operation for the SFDA and MFALA programmes, we are of the view that the experience already gained should be reflected in adopting the following types of safeguards against their possible failure:—

(a) The SFDA and MFALA might usefully adopt the area development approach. This will require on their part greater care in selecting and implementing the programmes that are suitable to the areas and stream-lining their approach with greater flexibility as well as viability.

(b) The Agencies should themselves see that wherever the programmes are sought to be implemented there are infrastructural facilities for marketing, processing and storage in respect of agricultural production and for subsidiary occupations.

(c) The Agencies should function in close cooperation with the State Governments and Administrations of the Union Territories in bringing about a speedy completion of the land record surveys and ensuring the adequate provision of funds for the purpose, effecting steps for soil conservation and providing extension support to the areas. Similarly, the Agencies should accord priority for completing ground water surveys

in project areas, provision of facilities such as soil testing kits to extension workers, improving training facilities for the participants of the programme in improving agricultural practices and for taking up subsidiary occupations, out of the financial resources of the Agencies themselves.

4.7. The process of identification of small farmers has been taking place progressively. However, we have observed that this is not free from flaws or inherent difficulties posed by the nature and conditions of land ownership (both irrigated and unirrigated) in certain States. We have ascertained that identification is done through a simple proforma in which the holding of the cultivator and as tenant is recorded. In some States the proforma is filled by the Block Development Officer (BDO) and certified by the Tehsildar. There does not appear to be any uniformity in this procedure as some States get the identification done by the Block staff without involving the revenue staff. As identification is followed by absorption into the programme, we are of the view that this machinery should be streamlined without leaving scope for favouritism and malpractices. We recommend that the entire procedure followed in this respect may be reviewed before the end of the Fourth Plan period so that the socialistic character of the agricultural development through the SFDA is highlighted and the fears to the contrary are dispelled before the public at large. For this purpose, we recommend the holding of Regional Workshops of the SFDAs on the lines organised by the Administrative Training Institute, Mysore for the southern States between June 10-12, 1972.

4.8. Till the end of May, 1972, 15.59 lakh farmer participants had been identified under different Agencies, of whom 6.67 lakh farmers had been assisted in getting enrolled as members of co-operatives. Rs. 17.26 crores had been disbursed to them as short-term loans in addition to Rs. 2.52 crores as medium-term loans and Rs. 8.18 crores as long-term loans. The evaluation of the SFDA in recent months has shown that through the supply of the supervised credits, the beneficiaries have been able to instal 10,826 tube-wells, sink 13,337 dug-wells and set up 8,174 motors and pumpsets. Under the animal husbandry programme, the number of milch cattle purchased up to the end of May, 1972, was 7,848 while the poultry units set up were 1,542. Similarly, under the MFALA that had a relatively slow start, 7.6 lakhs participants had been identified in the different Agency areas upto the end of May, 1972. The Annual plan, 1972-73 speaks in terms of removing the bottlenecks and aiming at a more direct involvement of the MFALA in the provision of marketing infrastructure such as chilling and feed mixing plants.

4.9. From the stand point of employment generation as a result of the establishment of the SFDA, and the MFALA, the problem appears to us as being essentially of assessing the type and nature of employment resulting from the stepping up of productive agricultural activity in the 46 districts chosen for the purpose. The criteria adopted for selecting the districts include all categories of persons, such as small farmers, grounds or on the basis of statistical reliability. In this respect, therefore, we endorse the recommendation of the National Seminar referred to earlier that as far as possible small compact areas or blocks should be selected which should be suitable for particular programmes. As most of the districts might not always withstand scrutiny either on impressionistic marginal farmers and landless agriculturists, the operational part of the SFDA and the MFALA cannot be evaluated in terms of employment

generation specifically from the standpoint of one scheme as such. In this respect, the improvements suggested by the National Seminar of identifying the small and marginal farmers on the basis of operational holdings rather than on total land holdings, appears to us as satisfactory. We also endorse the criteria adopted in the Annual Plan, 1972-73 for integrated rural development whereby the location of the SFDA or MFALA in a district has been included.

4.10. As both the schemes have been taken up for implementation only in certain districts, e.g. Nalgonda (Andhra Pradesh), Ambala (Haryana), Quilon and Cannanore (Kerala) and Ratnagiri-Satara (Maharashtra) in selected blocks or tehsils in each of the districts, the impact on employment is of a composite character. In such cases, therefore, there is greater possibility of accelerating agricultural activity from these credit oriented schemes provided an integrated rural development approach is adopted. However, as this does not apply to other districts, a composite evaluation of employment generation will not always be possible. As this is a matter which is being gone into by the Working Group on Agriculture we would not like to prejudge their findings and would limit our observation on the formulation of the scheme as such. We would, however, await with interest the methodology that will be evolved by the ILO for measuring employment generated as a result of the implementation of their schemes.

4.11. We recognise that both the SFDA and MFALA embody the afterthoughts based on the experience of the intensive agricultural district programmes that have been in operation since 1960. Viewed from this standpoint, the Shahbad district in Bihar, where the MFALA is being implemented, Surat and Bulsar districts of Gujarat where the SFDA and MFALA operate respectively, Jammu and Anantnag districts in Jammu and Kashmir where the SFDA operates, and Bandara in Maharashtra where the SFDA has been implemented, are found to have been already covered by the IDAP and intensive effort has been made to reach all farmers through cooperatives and panchayats and to formulate a number of plans to involve all agricultural families. As a selective approach to increase food production, the main effort has been to saturate the total cultivable area with improved seeds, fertilizers and other improved agricultural practices, soil and water conservation, the use of improved agricultural implements, plant protection measures etc. The flow of seeds and credit to farmers has also been arranged. In this context, therefore, the setting up of two or three different agencies within the same IADP district to implement the SFDA and MFALA has evidently resulted in the duplication of work and also the canalisation of credits through the creation of new agencies with a large complement of staff. From the viewpoint of project formulation and its organisational requisites and on the basis of our discussions, therefore, we would identify it as a serious flaw resulting in infructuous expenditure and not resulting in employment generation on a scale that would be justified by the amount invested for development. From this angle, we endorse the recommendations of the National Seminar, quoted earlier, that high level officials, such as Secretaries and Heads of Departments of State Governments should be more intimately involved alongside project officers in implementing the programmes and that coordination of various elements of the programme and the work of different functionaries operating at the district level is more essential.

4.12. Yet another recommendation of the National Seminar with which we are in full agreement is the importance to be given by the State Government in the coordination of the SFDA/MFALA programmes with other ongoing programmes in the areas like ground water surveys, land record operations, consolidation of holdings, rural electrification etc. We would particularly stress this aspect and recommend that the Employment Exchanges should have full information about all the educated categories employed in the various projects in an area/district and for this purpose Employment Exchanges should be adequately strengthened.

4.13. We have observed that too often subsidiary occupations meant for small and marginal farmers have been listed as animal husbandry programmes, poultry, etc. While we recognise that these are potentially employment generating, we feel that such subsidiary activities could, in effect, only take place where there are marketing and animal care facilities and where the farmers are traditionally used to them and not otherwise. Under Indian conditions, it is well known that subsidiary occupations, such as dairying and poultry farming, generally, spring up on the periphery of cities and towns so that they are assured of a market for their produce. Here again, we have reason to feel that the implementation of schemes has not followed any specific set of criteria and that, by and large, they are based on *a priori* generalisations without any positive calculation of social cost benefit of employment generation. In this connection, we endorse the findings of the National Seminar referred to earlier that the preconditions for the success of the subsidiary occupations included in the SFDA and MFALA projects are the existence of satisfactory arrangements for:

- (i) the supply of high yielding breeds of cattle and birds;
- (ii) the supply of fodder and feeds;
- (iii) the care of the animals and birds through the provision of veterinary services;
- (iv) the marketing of the dairy, poultry and animal husbandry products including the collection of these products from the beneficiaries of the programmes and above all;
- (v) the provision of chilling plants and cold storages.

4.14. We are firmly of the view that the switch over of credit-oriented schemes to employment oriented schemes, such as has happened in regard to the SFDA and MFALA has its inherent limitations as a long term development strategy, unless these schemes could be coordinated under one Central or regional agency and finances assured on a long term basis through a revolving fund. The selectivity implied in both schemes for the extension of credit, increased facilities for agricultural production and the promotion of the objectives of commercial agriculture by improving the economic rationality of the farmers, continue to retain their *raison d'être* under Indian conditions, while employment generation in sheer terms of raising productive economic activity would require the expanded base of the programmes of integrated rural development subsuming Community Development (CD) programmes of earlier date. We recommend that the merging of the SFDA and MFALA may, therefore, be considered as we are of the view that integrated rural development programmes alongwith unified programmes of SFDA and MFALA administered by one agency that has the egalitarian ideal of social justice in view rather than the well being of producer farmers alone, may take their place in the Fifth Plan.

Crash Scheme for Rural Employment(CSRE)

4.15. As a centrally sponsored scheme of the Department of Community Development and implemented through the Governments of the States and Administrations of the Union Territories until recently, we had occasion to elicit the views of the State Governments on the CSRE during our fact-finding tours. In terms of its conception, the scheme aims at providing employment to about 1,000 persons on an average in each district continuously over a working season of 10 months in a year. Employment provided would be through the execution of projects which are essentially labour intensive and results in durable assets in consonance with local development plans such as minor irrigation, soil conservation, afforestation, land reclamation, construction of roads etc. All the 344 districts of the country have been covered so far at a cost of Rs. 39,83 crores. It has been provided that the projects should employ, as far as possible, persons belonging to the family where no adult member is employed. Where this is not feasible, it has been stipulated that persons should be selected for employment with due regard to the possibility of finding alternative employment. It has been laid down that the rate of wages payable to the employed in these projects shall be equal to the off-season rates for agricultural labour in the district and not, in any case, exceed Rs. 100 per month. We accept this approach in principle, except that the wage rates prevailing in the district require greater study and that wage payments should be made flexible to include wages in kind also. We recommend that the possibilities of the latter should engage the attention of the project officers. According to the Fourth Plan Mid-Term Appraisal, the CSRE has been included in the Plan with a provision of Rs. 100 crores for the remaining two years (i.e. 1972-73 and 1973-74) of the Plan. The financial outlay for the CSRE is, therefore, Rs. 150 crores for the three years, 1971-72, 1972-73 and 1973-74. Expenditure contemplated at present is Rs. 50 crores. However, up to the end of March, 1972 schemes with a total outlay of Rs. 47.12 crores had been sanctioned for implementation and Rs. 34.10 crores released to the State Governments and Union Territories. We understand that the progress reports so far received from 21 States and nine Union Territories reveal that during 1971-72 an expenditure of Rs. 32.32 crores was incurred in the field and the total employment generated thereby has been reckoned at 81 million mandays. We have observed with satisfaction that to ensure that there is no interruption in the continuity of the work and securing full utilization of the funds, the State Governments and Union Territories have been requested to formulate in advance the schemes to be implemented in the next two years.

4.16. The Interim Report submitted by the Committee in February, 1972, felt that the provision of a fixed amount of Rs. 12.5 lakhs uniformly for each district, without taking into account the varying conditions in different districts, could not produce the desired impact on unemployment. The Committee had, therefore, suggested that the allocation for each district should be suitably refixed after taking into account its population, state of agricultural development and other relevant factors. As the Committee observed, "the benefits of the scheme are rather thinly spread through the districts and its impact is, therefore, rather diffused". We endorse the recommendations of the Interim Report that it is desirable to take up works of reasonable size in some selected parts of the districts having regard to the severity of the problem.

4.17. At the implementation stage, the Interim Report recommended that it was necessary to strengthen the organisational arrangement so that the works undertaken resulted in durable assets and no undue waste or diversion of funds took place. The organisational arrangements had to associate closely with the representatives of the people, different technical departments and others concerned. We share the view of the Committee expressed in the Interim Report that the CSRE, as conceived now is not likely to throw sufficient light on the magnitude and nature of the problem in the rural areas and the size of resources needed for providing adequate employment for all persons seeking work. We agree with the view that it is necessary to undertake some pilot projects in small compact areas in selected districts and that these projects should deal with all aspects of development and should progressively be able to provide employment in different economic regions to every person offering himself for work in that area. Further, the projects should not concern themselves exclusively with agricultural development and they should be involved in the development of other sectors also. We endorse the view of the Interim Report that such pilot projects should be undertaken as action-cum-study programmes so that the problems faced in the implementation under different conditions might be highlighted. The lessons and data made available from them would provide guidance for planning more comprehensive programmes of employment in future (see Interim Report paragraphs 12 to 14).

4.18. The implementation of the CSRE, since November, 1971 viewed from the standpoint of the expenditure so far incurred, does not appear to have taken off the ground in several States. We have ascertained that in the absence of a pilot project approach, it has not been possible for the State Governments to identify the areas in particular districts where development and employment of rural labour on the lines conceived in the CSRE could take place. As the basic difficulty faced in the States is lack of statistics, the identification of the areas in the districts, appears to have been done on impressionistic grounds by the District Collectors. As this is a situation that reflects on the unsatisfactory levels of the organisation of the data at the village level, we are of the view that before formulating schemes of the nature of the CSRE the efforts should be made to conceive pilot projects in suitable areas. We apprehend that unless this safeguard is adopted much of the expenditure incurred in employment generation of this kind will be infructuous and result neither in the creation of durable organisation nor in creating or sustaining the levels of wage-paid employment in households where no adult member is employed.

4.19. We appreciate that the Department of Agriculture is fully seized of the defective nature of the implementation of the CSRE in several States and has, therefore, issued "Guidelines for the Crash Scheme for Rural Employment Project" in 1972. In addition, the Department has also formulated a "Pilot Intensive Rural Employment Project" in 1972. We do not propose to go into the details of these here as these will be, presumably, engaging the attention of the Working Group on Agriculture. During our tours to the southern States, however, we have had the benefit of special discussions with State officials about the CSRE and we have been able to identify certain common problems faced by them. These are, by and large, common to most of the States although we have not had the benefit of their evaluation in all cases. These are: (1) paucity of funds for the satisfactory completion of the

projects under the CSRE e.g., minor irrigation, road development, soil conservation etc., (2) defective ratio between wages and materials necessary for the execution of the projects meant for the creation of durable assets, especially rural roads, canals, tanks etc., (3) absence of a programme of works in rapid sequence so as to provide continuous employment to labourers, (4) fixation of low wage rates under the CSRE (e.g., Rs. 4 per day in Kerala) which is below the wages during the crop season (e.g., Rs. 6-7 per day in Kerala) (5) lack of arrangements for identifying those who are eligible to be employed through surveys etc., by the village extension officers (6) lack of assurance and certainty that the CSRE will continue beyond the Fourth Plan period. Appendices XXIV and XXV give the comments received by the Working Group from Kerala and Andhra Pradesh that reflect the above points and also give data on the extent of employment generation resulting from the CSRE.

4.20. Our appraisal of the CSRE has convinced us that their renovation during the Fifth Plan period might advantageously be in the direction of absorbing some of the features of the Rural Employment Guarantee Scheme (REGS) of the Maharashtra Government that has been effective since April, 1972. The objective of the scheme is to provide employment preferably in productive works to all persons in the rural areas who demand it, and at wage levels which would not conflict or interfere with the normal agricultural operations. As in respect of this scheme the integrated programme of the CSRE might treat the District as the basic unit and the main effort should be to cover all Panchayat Samiti areas in the District. The chief aim is to provide supplemental employment whenever demand for manual work exists over and above the employment created by Plan and non-Plan activities of all agencies, State and Central Governments, Zila Parishads and Panchayat Samities. To impart the characteristics of the REGS of the Maharashtra Government to the integrated employment Scheme by the Central Government, there is need to assess the State Government's contribution and the matching grant by the Centre, the determination of the agency to implement the scheme at the district level, the preparation of a list of works of each district together with their surveys and cost estimates to be taken up for execution, whenever employment is demanded in each area and finally, the determination of the levels of wages to be given to rural labour employed under the scheme. We are aware that all this would involve the systematisation at the District and State level of employment planning and the reinforcement of local finance of panchayats through appropriate methods. We, therefore, recommend that the Fifth Plan strategy might embody this approach with advantage of providing unskilled manual work to all able bodied people looking for employment with such refinements as are necessary to suit the special characteristics of the States.

4.21. In addition to the CSRE, the Department of Agriculture has formulated a composite scheme for rural works and labour intensive activity in chronically drought affected areas of which the Drought Prone Areas programme (DPAP) is the most important. Specific details of the DPAP are given in paras 4.29 to 4.31. The above are based on a master plan covering minor irrigation programme, soil conservation, afforestation schemes, rural roads, pasture land development etc., with the main

emphasis on the construction of civil works of a permanent nature. It has been laid down by the Department of Agriculture that for each selected district a master plan will be prepared on the basis of the available potential and needs of the local areas. Our extended comments on the master plans and rural works programmes are given in paras 4.32. to 4.36.

4.22. As the implementation of the rural works programme left to the State Governments, they have been asked to take up simultaneously all schemes that have been sanctioned and to formulate further proposals in respect of those districts where it is anticipated that, on the basis of existing sanctions, it may not be possible to utilise the full amount available under the scheme. We understand that so far, schemes with a total outlay of nearly Rs. 74 crores have been sanctioned for implementation. While the expenditure incurred in 1970-71 was Rs. 6.49. crores, during 1971-72 an expenditure of Rs. 13.63. crores has been reported by 12 States. Figures for some States (up to December, 1971) are as follows : Andhra Pradesh Rs. 184 lakhs; Tamil Nadu Rs. 85 lakhs; Mysore Rs. 263 lakhs; Kerala has apparently not incurred any expenditure as there are no chronically drought affected areas in the State.

4.23. For the northern States, the position (up to December, 1971) is : Uttar Pradesh Rs. 85 lakhs; Rajasthan Rs. 217 lakhs; Madhya Pradesh Rs. 14 lakhs; Orissa Rs. 22 lakhs and Haryana Rs. 133 lakhs. In the western zone, Gujarat Rs. 104 lakhs (up to February, 1972) and Maharashtra Rs. 263 lakhs (up to December, 1971). West Bengal had spent only Rs. 10 lakhs up to October, 1971. The requirements of West Bengal are likely to go up considerably in view of the recent drought. We have observed that there has been little evaluation of this scheme so far; reports of whatever has been done were not made available to us. We would, therefore, recommend that the employment generated through this scheme should be evaluated systematically before the end of the Fourth Plan period with special emphasis on the maintenance of roads and the continuance of the scheme during the Fifth Plan period decided on that basis.

Schemes for the Development of Infrastructural Facilities Like Roads and Regulated Markets.

4.24. This scheme operated by the Department of Agriculture relates to the development of infrastructural facilities like roads and market complex in the command areas of various irrigation projects. The scheme was taken up for implementation in 1969-70 in the command areas of Kosi, Nagarjuna Sagar and Tungabhadra projects. The coverage was extended to Mahi-Kadane and Rajasthan Command areas in 1970-71. Kangshati, Cauvery Delta, Jayakwadi Stage I, Tawa and Pochampad were taken up during 1971-72. The original outlay of Rs. 15 crores was raised subsequently to Rs. 25 crores. Four market complex have been sanctioned for implementation in the 10 command areas mentioned above. During 1969-70 and 1970-71 Rs. 2.60 crores were released for implementation of the programme in the command areas where the scheme had already been sanctioned. During 1971-72, Rs. 3.18 crores were released up to March, 1972. For Pochampad command area, approval for implementation of the scheme with a total outlay of Rs. 1.52 crores has been given.

4.25. We reckon that it is a measure of utility of the schemes that has prompted the Government after the Mid-term Appraisal, to extend

the programme to some more command areas at an additional cost of Rs. 5 crores during the remaining two years of the Fourth Plan period. These command areas are (1) Gandak (UP and Bihar) (2) Sone (Bihar) (3) Chambal (Rajasthan and MP), (4) Tungabhadra (Portion falling in AP), (5) Purna (Maharashtra), (6) Salandi (Orissa), (7) Shetgrumji (Gujarat). The State Governments have been asked to prepare the project reports and we understand that the project report for Purna command area has since been finalised and approval given for undertaking road and market complexes costing Rs. 100 crores in 1972-73 and 1973-74.

4.26. The employment generation resulting from the implementation of the scheme could not be evaluated by us as the infrastructural facilities involved in the development of the command areas are extremely varied. We assume, however, that the potential for employment generation could be related to the basis of capital-employment ratio under each item of work in relation to the wages and prices prevailing in the areas. We recommend that such an evaluation should be made available before the end of the Fourth Plan period. We have separately dealt with road construction and employment generation under the larger head of transport and communications.

4.27. As the survey of regulated markets taken up by the Directorate of Marketing and Inspection in the Department of Agriculture has a research orientation bearing on employment generation, we would like to give brief particulars of this programme. The programme for survey of regulated markets attempts to study the consumption habits and needs of the people. The supply position in regard to needed items and the possible lines on which production pattern and market techniques should be reoriented, have larger implications for employment generation. We understand that out of 1,266 regulated markets in the country, 507 markets have been surveyed up to the end of March, 1972 under this programme which was taken up for implementation from July 1970 onwards. As the survey of regulated markets is closely related to the reorganisation of the distributive trade, we suggest that the implications of employment generation should be studied in relation to internal trade organisation, export sector etc. We would also stress the importance of the survey in relation to spatial planning.

4.28. We have observed that the success that has characterised the new agricultural technology has given rise to both visionary and practical ideas in respect of integrated rural development. Concepts such as growth centres, market-towns etc., have been adopted in area planning. Judging by the trends of discussions in seminars, conferences etc., on the feasibility of these approaches under Indian conditions, we feel that there is more emphasis on capital oriented development and less on labour intensiveness. We also find that the pilot research project on growth centres has not received the requisite level of response from the State Governments. We recommend that the rationale behind growth centres should receive fresh consideration of the Department of Agriculture in the light of employment oriented district planning under the Fifth Plan and the present scheme launched in April 1970 through the Community Development Department evaluated before 1974. We also recommend that the study of growth centres should not become a lever for unauthorised data collection.

Drought Prone Areas Programme

4.29. We have observed that the DPAP had originally started as a non-Plan scheme with an outlay of Rs. 100 crores in the Central sector of the Fourth Plan period and has subsequently been included as a part of the Central Plan for the two years 1972-73 and 1973-74. In all, 54 districts have been selected for implementation of the programme with an allocation of roughly Rs. 2 crores per district. The programme aims at mitigating the severity of scarcity conditions by organising productive and labour intensive work like medium/minor irrigation, soil conservation, afforestation and roads that will provide employment to the local labour.

4.30. An appraisal of the effectiveness of the programme has been rather difficult in view of its delayed start as the schemes under the programme were sanctioned only by the end of 1971-72. According to the Ministry of Agriculture, employment of 110 lakh mandays was generated during 1970-71 and during 1971-72 employment of 237 lakh mandays is reported to have been generated during varying periods. A statement showing the progress of expenditure during 1970-71 and 1971-72 is given as Appendix—XXVI. For 1972-73 there is a budget provision of Rs. 20 crores.

4.31. An appreciation of the difficulties faced by the district authorities in the implementation of the DPAP showed that preparatory steps both by the Centre and the States in the issue of detailed guidelines, formulation of projects, evolving appropriate administrative, technical and financial procedures etc., took considerable time so that advance sanction of funds did not result in productive expenditure at the State level. Similarly, the evaluation of the DPAP also got delayed because of the revision of the earlier proforma prescribed for reporting progress and the circulation of a revised proforma by the Ministry in February, 1972. There has also been a shift in the approach to programme formulation which does not any longer insist upon labour intensity but would cover schemes that are less labour intensive and also relevant for mitigation of drought. The comparative lack of experience of District officials in drawing up Master Plans that would fit into some kind of long-term plans of the District reinforces the view that District level planning requires to be given special importance during the coming years.

Some Observations on Master Plans and Rural Works Programmes

4.32. According to the present arrangements for the rural works programmes (RWP) to be undertaken in each district, a Master Plan has to be prepared by the Finance Department of the State Government concerned. A check list has been provided for the preparation of district wise projects under the RWP which specifically indicates the guidelines to the Project Officer to compile data and information that will finally figure in the Master Plan. We have gone through a number of well-written Master Plans prepared by the District Collectors Development Commissioners in the past. These serve to generate favourable interest in the scheme. The arrangement of contents as well as the list of exhaustive appendices serve to enhance their value. The pattern followed is as follows:—

1. The setting (of the district);
2. The project area;

3. The existing level of development;
4. Strategies and programmes for the overall development;
5. The main programme of development;
6. Administrative arrangements;
7. Financial arrangements.

4.33. We are of the view that in the drawing up of the Master Plan for Rural Works Programmes, a high degree of competence is required on the part of the Project Officer who is, generally, the District Collector. As the District Collector happens to be the most busy officer posted at District, we assume that it may not be possible for him to devote full attention to all the minute details of the drawing up of the plan. We recommend that the possibility of supporting the District Officer with specialists like officers of the Indian Economic Service may be examined so that a wider base for giving practical field training to these officers could be envisaged.

4.34. We assume that the accuracy of the statistics compiled in the Master Plan is verified by the State Government in so far as these plans could, in effect, become a compendium of the rural life of the district concerned. We feel that if they are given the form of techno-economic surveys of the districts, cross-sectional analysis should be possible by researches on rural development. The possibility of extending the services of officers of the Indian Statistical Service to the State Bureaux of Economics and Statistics could be examined in this context. In regard to some Master Plans, we have observed that the strategies and programmes of over-all development have been conceived without furnishing any detailed agronomic reasons. In so far as the Master Plans have been drawn up more for rural development as a whole rather than for employment generation as such, we have observed that greater insight has not been shown in the work pattern of the villagers where psychological criteria are involved. It has been shown by the National Institute of Community Development (NICD), Hyderabad that motivation plays the principal role in the adoption of HYVP and in raising the aspirations of farmers for better living standards. While we do not desire to pursue this line of criticism as being a lacuna of the formulation of the Master Plan for Rural Works Programmes in specific districts, we would like to recommend that wherever possible Projects Officers involved in the drawing up of these plans should be afforded guidelines for adopting new multi-disciplinary perspectives from which they could get at the root of the problems of employment generation in the totality of the social and economic life prevailing in the district.

4.35. We are also of the view that if the problems of the district and its economic activity as a whole cannot be analysed within the administrative boundary in the district as such, the Project Officer should be able to view the setting of the district in the larger geographical matrix of the region as a whole and identify the characteristics that specially require attention from this larger universe where rural life has been traditionally conditioned by systems of agricultural resource organisation. As a good number of Master Plans have already been prepared before the implementation of the RWP. We recommend that wherever a multi-disciplinary approach is possible, it should be adopted for improving the content of the Master Plans in keeping with mix of programmes, both

Central and State, that have been implemented in the district or in the surrounding districts. We are also of the view that a standard pattern should be laid down by enlarging the present check list to cover such other points as would be relevant to the RWP. For the sake of the convenience we are reproducing a copy of the check list followed at present.

4.36. As the preparation of the Master Plans and the implementation and evaluation of employment intensive schemes confer on administrative officers a new type of research oriented experience, we recommend that this should be buttressed by involving them further in all the data collecting agencies in the States such as the Bureau of Economics and Statistics, Agricultural Universities, Agro-Economic Centres, District Officer of the DGET etc., so that they acquire the requisite insight into the socio-economic life of the District and the essential inter-relations underlying it. The present dichotomy that hampers administrative officers from getting research orientations constitutes, in our view, a serious bottleneck in the formulation of State and District Plans and, therefore, our recommendations are aimed at an improvement of the general calibre of the officers by reducing the gap between the Generalist and the Specialist lines of thinking in relation to economic development at appropriate levels.

Check List for Preparation of District-wise Projects Under Rural Works Programme.

1. Name of the district.
2. Names of the talukas/tehsils with number of villages to be covered under the programme.
3. Map showing the delimitation of actual parts of the district in which the programme is to be implemented.
4. Population of the villages to be covered under the programme in the selected district.
5. Area (in acres) which will receive benefits under each scheme for the district as a whole and taluka-wise.
6. Proposed unit cost of works under each scheme, e.g., Soil Conservation, Minor Irrigation, Roads, Afforestation, etc., and how this compares with the similar works undertaken by the State Governments under their schemes.
7. Sufficient technical details to facilitate scrutiny by the technical divisions in the Ministry.
8. Employment that will be generated and potential created by each scheme separately. (It should be indicated clearly in terms of mandays per year).
9. Details separately of plan and Non-Plan expenditure during the year 1969-70 on similar schemes as are proposed to be taken up under the Rural Works Programme.

(a) *Plan 1969-70*

Minor Irrigation.....

Soil Conservation

Afforestation

Roads

Others

(b) *Non-Plan* (1969-70)

(Similar as in (a) above)

- *10. Plan and Non-Plan provision for 1970-71 on each item proposed to be taken up under the Programme (Details to be furnished for each scheme separately) for Plan and Non-Plan as in case of item 8.
11. Detailed information regarding physical and financial programmes for the year 1970-71 required to be sanctioned immediately. This information should be furnished scheme-wise separately for each district.
12. How the proposed schemes are related to the other Central schemes, like Desert Development programme if implemented in the selected districts. Details of the other relevant Central Centrally-sponsored programmes should be given for each district.
13. Please check that the overall cost of all the schemes proposed to be taken up under the Rural Works programme does not exceed the total allocation available to the State at the rate of Rs. 2 crores per district for a period of four years. In case of excess estimates, the balance of physical programmes and the source from which these will be financed should be clearly indicated.
14. Agency for implementation (Please give details) of administrative and coordination agencies of the Rural Works Programme schemes to the solution, on a continuing basis, of the problems caused by droughts. For preparation of the Master Plans of the districts, the integration and coordination of the Rural Works Programme schemes with the normal development programme of the district has to be indicated.

The Prospect of Employment-oriented Agricultural Development Under the Fifth Plan.

4.37. In the first part of this section we have sought to establish the reoriented character of new agricultural strategy embodied under the Fourth Plan, and we have also attempted a broad evaluation of the on-going Central schemes for agricultural development including employment generation, characterising it as a somewhat tardy and secondary consequence flowing therefrom. We would like to emphasise in this second section that the introduction of the IADP in 1960, has been largely responsible for identifying the problems of agricultural development and creating the base of the formulation of the foregoing Central schemes. While the creation of the SFDA was deliberately State-induced with a

*Please also show physical targets fixed for each sector both against the Plan and non-Plan provisions.

†Please show the proposed expenditure on staff and works separately for each Sector.

view to developing agriculture on commercial and market oriented lines, it has also high-lighted the urgent necessity for a number of socially-oriented programmes that would augment agricultural production and also provide employment to the rural labour. We, therefore, welcome that the paper "Approach to the Fifth Plan" sets the tone for reconciling economic growth with social justice on the basis of a greater number of well-conceived socially oriented programmes.

4.38. It is needless to emphasise that the scientific study of the problems of rural labour in India had long been, substantially, subordinated to the basic issues of enlarging the scope and coverage of the new agricultural strategy. In this situation we have identified the lack of active interest in the socio-economic conditions of the rural labour force as a factor that had directly led to the comparative negligence of considerations of increasing economic activity in the general pattern of rural life. Although the National Commission on Labour (NCL) had made comprehensive recommendations about the need to improve the conditions of agricultural labour, it would appear that the concentrated attention paid by the Department of Agriculture and the over riding importance conferred on programmes under the new agricultural strategy, chiefly, the economics of production and technology by the Ford and Rockefeller Foundations in keeping with their development strategies for underdeveloped countries, chiefly India, has had the baneful effect of defocusing the national interest on agricultural labour that has no organisation or bargaining capacity. However, the emergence of critical opinion and the institutional development since 1960 when the IADP was put into operation, have been of such magnitude socially and politically that socially-oriented agricultural development programmes have had to be conceived in subsequent years. We recognise that this has had the direct advantage of highlighting some of the age-old problems of Indian agriculture from a new perspective whose current content is that of employment generation. We are of the view that consideration of the issues of employment generation in countryside cannot be divorced from labour conditions and the two questions have, therefore, to be interwoven. We are afraid that discussion on agricultural productivity in connection with the new agricultural strategy sidetrack this unified problem and overlook the larger issues of land reform, ceiling legislation etc., that are pertinent to the enlargement of the base of employment generation in the countryside.

4.39. The Fourth Plan recognised the need to revitalise the existing weak and dormant cooperative farming societies. In our view, this is an area where the general extension services, even less the existing arrangement in other fields of cooperation in agriculture, cannot adequately assist in providing employment. 80,000 agricultural cooperatives have been found viable now; of this number, we understand, only 50,000 or so have trained Secretaries. Taking into consideration the importance of farmers' education stressed by the NCL and other Committees, we recommend that over 30,000 cooperatives should be provided with Secretaries from among the degree holders of the educated unemployed during the Fifth Plan period. These persons could function as full-time Secretaries and in this process, they also stand the chance of being drawn towards a nationally oriented effort in the countryside which is not anywise non-productive. The infrastructure of agricultural cooperatives also stand

the chance of being strengthened in the country for the future plans without letting this important sector slide down any further in matters of development.

The New Importance of Dry Farming

4.40. Since the new agricultural technology was substantially based on irrigated land with an assured supply of water and other inputs, interest has been focused on the need for cultivating dry lands in India although its commencement antedated it from the Second Plan onwards. Dry land farming has, therefore, assumed considerable importance during the Fourth Plan period. We welcome the assurance given in the Annual Plan, 1972-73 that the ongoing coordinated project on dry land agriculture would be expanded to cover the main recommendations of the Working Group on Dry Farming whose final report was submitted in November, 1971. From the employment viewpoint the possibilities of improving employment potential through the conversion of dry lands into wet lands has evoked considerable interest in States such as Rajasthan, Gujarat and Andhra Pradesh where several large tracts are seasonally drought prone and are not amenable to cultivation. The development of science and technology relating to salinity and dryland farming has also received deeper interest in this process. We recommend that a series of studies based on fixed and variable costs for conversion of dry lands into wet lands may be undertaken by all the States concerned with the objective of minimising the risk of frequent failure of dry crops because of drought and providing assured irrigation. Such studies will, in our view, assist in increasing the per acre output of cereals and also help work out plans for providing employment to the rural population in drought prone areas throughout the year. In view of the considerable importance of such studies for agricultural development during the Fifth Plan period we strongly recommend that they should be financed as Central schemes on 100 per cent grant basis.

Need for Dovetailing Academic Studies With Those of Government Agencies.

4.41. We have observed that once the small farmers' scheme began paying moderate dividends, attention came to be sequentially bestowed on non-viable small farmers and landless labourers as well. As the latter form the bulk of the Indian rural households, agricultural development programmes meant for them have, naturally offered scope for additional employment. The issues of viability and non-viability of farmers in India have focused attention on their uneconomic holdings. Economic studies on this aspect, academically oriented or those undertaken by the Government research institutions, have to be purposivisitic and those have to reach the project officers for their comments and discussion before being released. We recommend this dovetailing of academic research with governmental objectives to eliminate spurious efforts aimed at producing sensations on sensitive issues. The progress made in the consolidation of holdings, require, in our view to receive national attention and their drawbacks, similarly, require to be examined in relation to integrated area development, particularly in backward States where their implications in relation to the extension of credit facilities and the availability of other facilities by farmers have considerable relevance to employment generation. We recommend, similarly, that there is need for a larger number of studies, in depth by the Department of Agriculture, of land

and tenancy reforms in relation to employment in particular States where these have made slow headway. Overall, we have observed that it is the new agricultural technology as the core of the agricultural development programme, that has highlighted unemployment and under-employment problems in Indian agriculture and given rise to research studies that remain to be tapped for effective policy formulation. We also desire to see these studies assume a national character rather than be clothed in the language of development economics and drift towards transnational approaches. We recommend that the research studies on agricultural labour connected with the new technology by agricultural universities, agro-economic centres, Indian Council of Agricultural Research (ICAR) etc., should receive greater coordination from this standpoint.

Problems of Widening Participation in the SFDA and MFALA Programmes.

4.42. We have observed that the most important drawback in widening the circle of participation in the above programmes has been, hitherto, the comparative neglect by the Agencies of the existence of sharecropping which has an important bearing on the question of viability of small farmers. This aspect appears to have received little attention so far so that the levels of participation have been confined only to persons who have recorded rights over lands ad-measuring between 2.5 and 5 acres and those that have been cultivating other lands oral lease. The studies conducted by the Agricultural Credit Department of the Reserve Bank of India in the Purnea district, Bihar and the Small Farmers Development Agency, Mysore district have highlighted the importance of devising measures by which land cultivated by a farmer on oral lease basis or share cropping basis are also taken into account for giving full credit facilities and other inputs. Details of the area operated under tenancy and the percentage distribution of cultivating households and area cultivated are given in Appendix XXVII. The main objective of this is to convert him into a viable farmer and widen the circle of participation. In this respect, we have also acquainted ourselves with the recommendations of the Expert Group on State Enactments having a bearing on Commercial Banks Lending to Agriculture constituted by the Reserve Bank of India under the Chairmanship of Shri R. K. Talwar. We have observed that these recommendations are of considerable importance to the successful functioning of the agencies of the SFDA and MFALA and, therefore, we fully endorse them for their implementation by the State Governments also through suitable legislative measures. For the sake of convenience, we are listing these recommendations below to the extent that they relate to tenants and sharecroppers.

4.43. Cultivators who have no rights or have only restricted rights of alienation in their lands or interest therein, such as those belonging to scheduled tribes/castes, backward classes/castes, tenants/cultivators, fragment holders, allottees of Bhoodan land and the Government land, should be vested with the right to alienate land/interest in land held by them in favour of lending banks, if necessary, for the purpose of obtaining loans, for agricultural purposes.

4.44. In the case of share croppers, who form a special category and who do not have any recorded rights in land, banks would be able to grant assistance only if their status is properly shown in the record

of land rights. Further, they should be enabled to create a charge on the crops raised by them notwithstanding the fact that they are not the owners of the land over which the crop is raised.

4.45. The Talwar Committee has further suggested a series of administrative measures with which we are in full agreement. These are listed below :—

(i) To enable banks to get adequate and reliable information about the operational holdings of an intending borrower and the nature of his interest therein to support his bonafide interest in land and cultivation, the urgency to bring land record upto-date has been reemphasised.

(ii) Meanwhile, it is urgently necessary to prepare and maintain interim registers indicating the existence of share croppers and other informal tenants and the particulars of land cultivated by them ; unless this is done, this class of cultivators may not be able to get adequate support from the institutional credit agencies.

(iii) As and when land records are brought upto date, pass-books such as those already in vogue in some States may be issued by the State Governments to owners and tenants so that these can serve as *prima facie* evidence to the rights in land of an agriculturist and make it easier for banks to verify such rights and details pertaining to encumbrances thereon.

(iv) Cultivators borrowing from the commercial banks should be exempted from payment of stamp duty, registration fee and charge for issue of non-encumbrances certificates to the extent to which they are eligible for these concessions when they borrow from the cooperatives.

(v) The number of centres where equitable mortgages can be created in favour of commercial banks for the purpose of agricultural borrowing needs to be increased until such time as the legislative and other measures recommended by the Group are given effect to.

Some Lingering Problems of Indian Agricultural Development

4.46. Considerations of providing full employment or fulltime employment to Indian agricultural labour have, necessarily, to be viewed in relation to a set of problems that have been in existence from the very beginning of planned efforts to improve agricultural production. Any rational approach to the problems of Indian agriculture has had to take into consideration the deterioration of man/land ratio, the continued dependence of agricultural operations on casual labour, the additional demand for labour following the introduction of the new agricultural strategy, the mechanisation of agriculture and its impact on agricultural labour, the consequences of land reforms of agricultural labour and the food distribution policy and its impact on agricultural labour. These apart, there are problems posed by special types of rural workers and also those relating to mixed farming and agro-industries. We propose outlining only some of these issues to the extent that we had to discuss them in relation to the Plan programmes and policies. As a good measure of policies affecting agriculture have their direct relevance to resource mobilisation as well as allocations for development, we consider the treatment of all the above questions as germane to the work of the Agriculture Group and therefore, would not like to undertake this ourselves.

Deterioration of Man-land ratio

4.47. Aggregative approaches that are the characteristic of macro-economic planning follow the criterion of the man-land ratio in regard to sectoral planning in agriculture and the Indian situation viewed in the light of the 1971 Census is apt to be alarming. However, we are of the view, that micro-planning has the quality of leavening the situation with a detailed understanding of the problems and in this respect an economic regionalization approach superimposed on macro-economic planning would appear to us as being essential to face the realities at the grass root level. According to W. Ladejinsky, a noted authority of the World Bank, "the demographic picture of India casts a dark shadow on the future of the great mass of the cultivators and on India, as a whole. In 1961 the agricultural labour force was estimated at 132 million, or 70 per cent of the total. Based on the current projections of population growth the figure will increase to 192 million in 1976 and 219 million in 1981. This, in turn, is based on the assumption, supported by the experience of 1951-61, that despite the country's economic development, the ratio of the agricultural labour force to the total will remain unchanged. All this means that in order to maintain the ratio of farm labour force at the 1961 level, the non-agricultural sector will have to absorb an additional 26 million persons between 1961-76 and 38 million between 1961-85. Judging by the growth of employment from 1951 to-date (1969) this absorption is not likely. In fact, the prospect is only one of maintaining the ratio of farm labour force to the total at the level of 1951-61. If so, rural India is being faced with the problem of additional 60 to 80 million people within a short period of 15 to 20 years"

4.48. It is evident from forecasts similar to the above that Indian agricultural sector will hardly be in a position to create sufficient new employment to fully employ the expanding rural labour force within it during the coming years. The main argument in favour of the introduction of new-agricultural technology is based on the declining man-land ratio. Additions to land through new acreage brought under cultivation and through multiple cropping are estimated to add only 0.8 per cent annually to the gross areas sown. The study of the State-wise picture is also not very encouraging. We are aware that in earlier years industrial enterprises, particularly small scale and cottage industries, were considered the important means for providing employment to the rural labour force and also for withdrawing them progressively from agriculture to industry to the extent possible. This has been, it is well known, in keeping with the frenzied attempts to industrialise the country on the basis of economic theories originating from the West. However, the experience gained in India in recent years shows that absorption by the industry can at best be only a small fraction. In view of the upgrading of industrial technology that has made itself felt during the recent years, the absorption of rural labour in the industrial sector remains problematic.

*A study by the Ford Foundation, New Delhi, 1969. (roneo)

Also see:

Ladejinsky W. 'Agrarian Reform in Asia', *Foreign Affairs* April 1966, pp. 475-77, (2) "Tenurial Condition and the Package Programme" *Mainstream* March, 1965, (3) "The Green Revolution in Punjab; a Field Trip", *Economic and Political Weekly* (Sciences of Agriculture) June 28, 1969.

4.49. We are aware that proposals of rural development under various Plans have kept the above mentioned issue in the fore-front. The experience of the Khadi and Village Industries Commission and many other bodies in the development of small scale industries has, unmistakably, shown that, sometimes, artificial scarcity of agricultural labour has been created on account of their development. This is more true of small industries in States such as the Punjab and Haryana where agricultural development under the new technology has surpassed that of other States. The current tendency as observed by us in both the Punjab and Haryana is that during harvesting season workers in small-scale industries generally return to their villages and create problems for the organised small and big industries. Besides, the wage levels in both industry and agriculture are far from stable in several States and not merely in those where the new agricultural technology has ushered in the "green revolution". We are of the view that a clear picture can emerge only on the basis of a detailed study of the availability of labour force in each State for catering to both industrial and agricultural sectors according to their shifting requirements throughout the year. This would require the widening of the base of manpower planning and the study of labour markets in relation to it. Overall, however, we have found that encouraging intermediate level, labour-intensive technology in industries, has not assisted in reducing rural unemployment or underemployment substantially anywhere. Contrariwise, we have come across views that there is no rural unemployment on the scale imaginatively made out and that by and large, most people are engaged in some kind of useful activity. As these are matters germane to the work of the Panel appointed by the Committee, we would not like to make any extended comments on the subject.

4.50. The problems of industrial location, the inadequate growth of small scale industries, notwithstanding the creation of industrial estates and the generation of other activities, appear to have confused the picture of employment rather than assisted in demarcating the labour markets and the levels of steady employment in particular areas. In our view, the consideration of the inter-sectoral problems of the absorption of rural labour force have received inadequate attention of the States. We, therefore, again see in this situation the need for proper manpower planning and the creation of a nexus between industrial and agricultural labour force in all the States, the demarcation of labour markets in geographical sense of agro-climatic zones overriding administrative boundaries of contiguous districts or even States, and also the study of the country-wise patterns of the socio-economic conditions of income and wage structures as decisive factors that control the flow of unskilled labour from agriculture to industry and *vice-versa* under the present conditions of agricultural development similar to that obtaining in the Punjab and Haryana.

Rural Works Programme

4.51 The question of expanding rural works as a third alternate possibility for employing rural labour has, in this context, engaged our attention. The rural works programmes conceived in the Fourth Plan, therefore, strike us as having direct relevance to this situation. We appreciate that the experience of rural works programme has, mostly been characterised by unhappy developments in relation to the high cost of the programme resulting, sometimes, in localised inflationary tendencies

in wages and prices and also corruption in execution. All the same, for providing employment to the rural labour force, we are of the view that the implementation of vigorous rural works programme constitutes itself as the most effective and in all likelihood the most generally acceptable solution. We, therefore, endorse the extension of the crash programme for rural works. We also recommend multiple cropping programmes in suitable over-populated areas and the pursuance of a policy of its expansion alongside the effective implementation of land reform and complementary measures through minor irrigation and agro-based industries. In this connection, we are of the view that excessive emphasis on input of fertilizers for food production has to be replaced by water supply and water management. In our view, the rural works programme in particular States such as West Bengal and Assam could be supplemented by rural electrification, inland water transport, coastal shipping, animal husbandry and land reclamation. We are also of the view that these avenues of employment should be fully exploited for the welfare of the rural folk in their socio-economic setting with a distinct improvement in the infrastructural facilities. We understand that in States like Haryana budgetary deficits during 1971-72 had led to cuts in the plan outlay for irrigation and roads and these threaten to affect the levels of employment already generated. In such cases, we recommend that the mechanism of Central assistance should step in to make up the deficit so that the State is not forced to cut short the implementation of important employment generating schemes.

The Problem of Casual Agricultural Labour

4.52 The experience of the new agricultural technology has highlighted the dependence of the agricultural development on casual agricultural labour, particularly, for specific agricultural operations such as sowing, transplanting, harvesting or threshing. The bulk of the casual labourers are landless whose distribution State-wise is still to be estimated with accuracy. As the pattern of landlessness has been increasing year after year, short of accurate statistics, we would surmise that the number of casual labourers available for work would also be on the increase. We feel that this is an area in which the panel's attention requires to be bestowed with focus on unemployment and underemployment in so far as the number of agricultural labourers based on comparative figures of the 1961 and 1971 Censuses show an increase of 31.5 million (16.7 per cent of total workers of 188.6 million) to 47.3 million (25.8 per cent of 183.6 million). The problems of landless labour are related to the resettlement programmes, particularly of the scheduled castes and tribes¹. As these are covered under social welfare schemes we do not like to go into them here.

4.53 We have also come across the view that employment of permanent agricultural labourers for agricultural operations is mainly confined to larger holdings. It has, therefore, been argued that the mechanization of agriculture might displace the need for casual labour to a certain extent and substitute a small number of permanent labourers in their place. On the other hand, it has been observed on the basis of empirical studies that intensive cultivation under high yielding varieties and multiple cropping schemes generally provide more continuous employment to casual labourers throughout the year at a wage rate higher than

¹See : Resettlement Programme for Landless Agricultural Labourers : Case Studies of selected Colonies, PEO, Planning Commission, 1968.

the present average wage rate. Studies on Farm Management covering different districts in Uttar Pradesh, Haryana and Madhya Pradesh show that the present share of permanent and casual labour in total wage employment continues to be on the higher side, ranging from 50 to 70 per cent and even more. However, on the basis of these studies the demand for agricultural wage-paid labour has been shown as progressively increasing in the areas covered by the high yielding varieties and multiple cropping programme and therefore, this has been adduced as the rationale for the expansion of acreage for these programmes. We are aware that there has, nevertheless, been adverse criticism from the profitability viewpoint of these programmes as being largely, confined to the richer farmers to the exclusion of smaller ones and landless labourers. We have not gone into these questions as these are remitted for study to the Working Group on Agriculture and to some extent the Fiscal and Financial Group in regard to agricultural taxation. Presumably, they would examine all relevant aspects of these questions in detail. We should, however, like to focus interest on the mechanisation of agriculture that has increasingly come into vogue in some States and given rise to the problem of displaced and casual labour.

Tractorisation and Mechanisation and Their Impact on Agricultural Labour.

4.54. We have observed that with the growing demand for intermediate technology combining human labour with small tools, tillers, energised pumpsets etc., in agriculture, particularly, in areas where multiple cropping requires cultivators to prepare quickly the land for multiple crops and for the relay crops, there has been an attraction towards full scale mechanisation¹. The high profitability ratios resulting from capital investment in high yielding varieties has given an added boost to multiple cropping. We have observed that considerations of mechanisation involving the import of tractors have, therefore, got inextricably and sometimes ideologically bound with the adventitious spirit of capital intensive agricultural technology and relegated the issues of human labour and employment problems, in general, to the background. These are, sometimes dealt with only in relation to the concept of depersonalised labour productivity divorced from the human side of the problems. We consider this as an unsatisfactory and evasive approach to the problems of employment under the head of the new agricultural strategy.

4.55. We recognise the fact that although in respect of intermediate technology, where the time available between two short duration crops would be small and for concentrated efforts at increasing production, both labour and machinery would be essential, the mechanisation of agriculture as a regular concomitant strand of thought to the spirit of new agricultural technology, which is so much advertised these days, cannot but go against the permanent interest of rural labour force. In this connection, we had occasion to discuss the related issues of tractorisation

¹For a discussion see: M. L. Dantwala, Preface to the volume of Background Papers. International Seminar on Comparative Experience of Agricultural Development in Developing Countries Since World War II, New Delhi, 1971.

with the Working Group on Agriculture and other interested persons. Our conclusions based on these discussions are listed below:—

(a) After having acquainted ourselves with the levels of rural unemployment in relation to the introduction of agricultural technology in developed areas such as the Punjab since 1966—67, we have concluded that it is the high level of the profitability of cereal production in these areas, that has, in effect, brought about the demand for import of tractors and harvester combines. We are of the view that what holds true in regard to the Punjab need not necessarily be true of other regions¹. Studies carried out in different parts of India on the impact of tractorisation highlight the fact that there is no uniformity in respect of labour displacement due to variations in soil structure, availability of water and weather conditions in the different regions of the country. A comparative study undertaken by two authors recently² for the Punjab and Maharashtra reveal that “while in the Punjab working days per worker are rising in spite of mechanisation of certain operations, they are sharply declining in Maharashtra”³. Therefore, a generalised or uniform approach is not possible or warranted for other areas on this basis due to the heterogeneity of the problems of the land economics and the somewhat special attention received by the Punjab in the matter of the promotion of the new agricultural strategy. We recognize that the problems of tractorisation and labour displacement differ from area to area or region to region, and, therefore, no positive recommendations can be made by us on the degree of mechanisation that is either required or is viable in relation to the displacement of labour. We, however, recommend that this could be the main objective of economic studies by research institutions in the country. We find that, by and large, research studies on the subject are not balanced and these require to be multi-disciplinary and nationally oriented. We also firmly deprecate the tendency of citing the findings of stray type of studies for general policy formulations on vital issues.

(b) We recognize the fact that the economic use of tractors is substantially a measure of the agricultural development as well as the economic rationality of the farmers in any particular region. These, again are obviously based on education and guidance. Criticisms based on the uneconomic uses of tractors by farmers cannot therefore, be adduced as a special reason for slowing down tractorisation under favourable conditions. We recommend that slowing down tractorisation and impeding food production would be a wrong policy for the country to pursue. At the same time we feel it is wrong to overheat the imagination and look upon the tractor as the mystic symbol of food production. We deprecate tendentious researches of this variety that gain unseemly popularity in the country. Similarly, we are of the view that employment generation and tractorisation in the agricultural sector are not mutually exclusive up to a point and this cut off point has to be scientifically established in regard to each State.

¹See: Prof. S. S. Johl, *Mechanization, Labour-use and Productivity in Agriculture*, Department of Agricultural Economics and Rural Sociology, University of Ohio, 1971 also S. S. Johl, *Farm Size Economic Efficiency and Social Justice. A case of Punjab*, Punjab Agricultural University, Ludhiana, 1971.

²“The Effect of Technology on Farm Employment in India” by Martin Billings and Arjan Singh, *Development Digest*, January, 1971.

³Quoted by Prof. M. L. Dantwala in preface to volume of *Background Papers*, International Seminar on Comparative Experience of Agricultural Development in Developing Countries Since World War II, October, 1971.

(c) We feel that there is scope for ground water development and minor irrigation in relation to the improvement of the cultivable area through tractors. We recommend that auxiliary employment opportunities in tractorised areas should receive as much attention particularly in some of the southern States where there is considerable educated unemployment.

(d) We recommend that rural house construction should be linked up with rural electrification and their mutual impact on employment generation ascertained through specific studies. And for this purpose we recommend that developed tractorised areas should be given priority.

(e) We have observed that, generally speaking, discussions on labour displacement through mechanisation of agriculture, highlighted the disadvantages arising from the use of tractors and overlooked the utility or efficiency of other mechanical devices e.g., pumping sets, power tillers etc., that have the quality of improving the productivity of the labour. We also recommend that tractorisation should not be viewed as positively displacing rural labour, particularly when it has not assumed any formidable or menacing proportions in the country. In this respect we recommend that there should be a clear policy based on the realities prevailing in India rather than attitudes of drift and indecision. We also recommend that the Department of Agriculture should be freed of all pressures, direct as well as indirect, from Indian and foreign agencies directed towards speedy tractorisation in the country. In this respect, we also recommend that the Department of Agriculture and the Government as a whole should evolve a committed profile of long-term policy and programme for the Fifth Plan rather than permit superficial views based on demonstration effect propagated by persons who have had the indoctrination through the attending of courses of training or studies abroad.

4.56. Our treatment of the foregoing aspects of employment-oriented agricultural development has necessarily to be suggestive in character. As the fuller implications of the related issues will, presumably, be gone into by the Working Group on Agriculture in the light of the work done by various specialised institutions in the field, including the National Commission on Agriculture (NCA), we would not like to undertake their examination in greater details. In this respect also, we would like to be governed by our terms of reference rather than by the legitimate temptation of unravelling the entire complex of agricultural problems, however, inter-related they might be with the issues of planning human resources development and, more specially so, with those of manpower planning and employment generation in the rural sector.

Employment in Agricultural Research, Extension and Training

4.57. As agricultural research, extension and training have a direct bearing on providing employment throughout the country in furtherance of the progress made in agricultural technology and food production, we have sought to acquaint ourselves with their background at present. It has been brought to our notice that the employment of agricultural specialists under extension services in the States does not form an uniform pattern at the district level. It has been observed by the NCA that in some States, specialists at the district level are provided by agricultural universities in some districts and by the Government departments in some other districts. The NCA has, therefore, made an impor-

tant recommendation in their recent report for reinforcing the State departments in the following manner:—

"The Programme, Subject-Matter and Extension Specialists at the State level must be specialists of the highest level possible in their fields of specialisation and they shall maintain contacts with the specialists in the University Divisions. At district, and tehsil or taluk level, there should be a team of specialists in appropriate fields and in appropriate grades. The team leader and the specialist at the tehsil level should preferably be holders of M. Sc. degree and those at the district level preferably holders of Ph. D. degree. To provide support to Village Level Workers, five to six graduate Agricultural Extension Officers (AEO) should be provided in each block. In animal husbandry, there should be graduate Field Extension Officer at least at taluk level. In the districts where special programme is being undertaken in animal husbandry or fishery, additional suitably qualified Extension Officers should be posted".

(Paragraph 8.9)¹

4.58. We endorse this recommendation as being of special importance to agricultural development during the Fifth Plan and as being favourable to more effective manpower planning in agriculture paving the way for the absorption of educated scientific personnel in larger numbers with successive Five Year Plans.

Economic Planning and Data Requirements

4.59. Taking a retrospective view of agricultural development and employment generation, we have observed that from 1960 enormous quantity of data have been collected through various schemes, research projects by Indian and foreign-based institutions on agriculture. Their cumulative impact has not reflected on employment generation policies and much of the data appear to have no content for this purpose. We recommend that all strands of agricultural research currently done require to undergo scrutiny from this angle, be centralised and coordinated for national planning oriented towards employment—generation. The agencies that collect data, their objectives, the ultimate utilisation of data etc., require, in our view, to receive careful scrutiny on an immediate basis for the sake of economy and efficiency and above all, to result in rational coordination of common areas of work without jeopardising national interests. We recommend that a high level committee should go into these questions before the end of the Fourth Plan period and bring out the need and lines of coordination in the work of Government Departments, autonomous institutions, and the various all-India and central services during the Fifth Plan period.

4.60. We have been convinced that one of the important reasons for the lack of awareness about the data requirements of planning at State levels is the absence of a regular flow and feed back of information between the Central and State Governments. In this respect, the existence of Bureaux of Economics and Statistics require to be supplemented by special cells in the State Governments which should in their turn have arrangements to supply the information to the District authorities on any matter of importance concerned with planning. We recommend that coordination between the District and State level in this respect should be accorded priority.

¹Source: Interim Report of the National Commission on Agriculture on "Some Aspect of Agricultural Research, Training and Extension, November, 1971, Page V, para 14 of Summary of Recommendations".

CHAPTER 3

POWER DEVELOPMENT AND EMPLOYMENT

Generation

5.0. Electricity constitutes the basic input of multifarious industrial as well as agricultural activities that result in increasing production and also in providing employment to skilled and unskilled workmen of the labour force of the country. We recognise that the per capita consumption of electricity is a popular index of the progress of a nation including the standard of living of its people. The availability of adequate and reliable power supply for agricultural and industrial operations has a direct bearing on employment generation to the extent that electricity accelerates the mechanical appurtenances for its use.

5.1. Tremendous strides have been made in the field of power development since Independence increasing the installed generating capacity from 1.4 million KW to 17 million KW by 1971-72. The country is still far behind the minimum required level for achieving economic well being. Concerted efforts in the field of power development are, therefore, necessary in order to rise to a reasonable level of prosperity. The benefits of electricity would have to be extended to rural areas where 80 per cent of the population lives.

5.2. By the end of the Fourth Plan period it was envisaged that the installed generating capacity would rise to 23 million KW. However, according to present indications this is likely to reach up to 20 million KW only due to various reasons.

5.3. According to the Fifth Plan proposals of the Ministry of Irrigation and Power, it is proposed to increase the installed generation capacity to 41.5 million KW by 1978-79, and the total additions to the capacity would amount to 21.8 million KW. This would be composed of 6.7 million KW from schemes continuing from the Fourth Plan, 7.8 million KW from schemes proposed to be taken up as extensions at developed sites and 7.3 million KW from new generation schemes. This programme would involve an outlay of Rs. 7,600 crores. This includes Rs. 3,800 crores for generation, Rs. 1,900 crores for transmission and distribution, Rs. 1,200 crores for rural electrification, and Rs. 600 crores for advance action on generation schemes for benefits beyond the Fifth Plan and Rs. 100 crores for investigation, research, training, etc. One of the objectives of these proposals would be to remove the imbalance in power development between the various regions and States. While there may be not much direct employment potential in the power schemes as such the availability of power would generate indirect employment potential. The estimates of generating capacity have been arrived at keeping in view the likely demand for power. The total energy generation increased between 1950-51 and 1960-61 at the rate of 16.8 per cent compounded. During the sixties also the generation continued to increase at the same rate. Keeping in view the accelerated tempo of industrial growth envisaged as also the increasing demand for

power in agricultural sector and the impact of rural electrification programmed for the Fifth Plan, a rate of 12.5 per cent has been assumed per annum for the current decade.

5.4. There is, therefore, need to ensure that the requirements are met by planning for the power availability adequately. The programme proposed involves the doubling of the capacity that would be achieved by the end of the Fourth Plan period. It is not clear whether given the financial support, such a massive development programme is within the physical reaches of the country taking into account the normal time required for detailed investigations, preparation of detailed project reports, procurement of equipment and construction. There is no doubt that the growth of the various sectors of the economy that are dependent on power cannot be permitted to lag behind for want of power. It would, therefore, be in the fitness of things that adequate planning and organisational measures are instituted to achieve the targets. Major power projects whether they be thermal, hydroelectric or atomic will require detailed investigations which usually take two to three years to complete. In the absence of such detailed investigations and project preparation, it will not be possible to take any decision on investment. Considering the fact that the proposed target for the Fifth Plan is almost double the existing generation capacity at the end of the Fourth Plan period, the importance and urgency of the need to step up detailed investigations of specific projects cannot be overemphasised. From the point of view of employment this area of activity offers substantial scope for gainful employment of engineers of different disciplines. This programme is therefore, important from both points of view *viz.*, generation of gainful employment to large number of technically qualified persons and the preparation of a good shelf of projects in the quickest possible time that would enable the most appropriate choice from the national investment strategy. We have noted that some of the State Electricity Boards, have Investigation Divisions engaged in such work; but the pace appears to be too slow considering the magnitude of the task involved and the limited time at our disposal.

Energy for Agricultural Development.

5.5. Electricity is of particular importance in the rural areas as it gives a boost to agriculture by the exploitation of ground water. Secondly, it hastens the introduction of small scale and agro industries which help to supplement the income of the rural population particularly in the off season. Greater rural employment is also possible thus preventing migration to the towns and thereby reduce the pressure on the urban areas. We have ascertained that at present energisation of one industrial service can give employment to about four persons on an average. Thus, the potentialities of employment generation through rural electrification appear to be very attractive.

5.6. Since the introduction of planned development in 1951, rural electrification has been greatly accelerated. During the first three Plans the emphasis was on the provision of power for domestic use. The total outlay was Rs. 260 crores. In March 1966 the number of villages electrified was 45,806 (out of a total of 5,66,878) and irrigation pumpsets energised was 5,12,920. The drought period of 1965-67 shifted the emphasis to energisation of pumpsets. Accordingly, in the last five years the investments have far exceeded the total for all the three Plans and

Rs. 445 crores had been spent during the years 1966-67 to 1970-71. Energisation of pumpsets has risen to 19.50 lakhs up to July 1972 and the number of villages to 1.24 lakhs constituting 21.7 per cent of the villages. Appendix XXVIII gives the position of energisation of pumpsets and villages electrified Statewise as on July 31, 1972. By the end of the Fourth Plan period, it is expected that 25 lakh pumpsets would be energised and 1.5 lakh villages electrified.

5.7. To boost the rural electrification programmes, the Rural Electrification Corporation (REC) was set up in the Central Sector in 1969 to finance the electrification programmes of the State Electricity Boards. The Corporation is guided by certain policy directives given by the Government of India, the important ones being that the schemes should be considered on a project approach, they should satisfy some criteria of economic viability and in particular increase agricultural production. Special consideration should also be given to the requirements of backward areas. The Corporation is also promoting five pilot rural co-operatives.

5.8. The Corporation has till the end of July 1972 sanctioned 279 schemes involving loans assistance of Rs. 165.99 crores. Of this the schemes for backward areas total 115 and the loan assistance is of Rs. 60 crores. Appendix XXIX gives the details of scheme sanctioned by the Rural Electrification Corporation up to the 31st August, 1972. Concessional terms of financing and liberal viability criteria have been adopted for the backward areas. The Corporation has also introduced a scheme for undertaking transmission lines in States where such facilities are hampering rural electrification and more recently a scheme has been introduced for improving the systems to reduce the line losses.

5.9. Though good progress has been made in rural electrification (Appendix XXX) only about 25 percent of the villages in the country are expected to be electrified by the end of the Fourth Plan period. There are a number of States which are backward in this respect like Assam, Bihar, Orissa, West Bengal, Uttar Pradesh, Madhya Pradesh, Rajasthan, Jammu and Kashmir and Nagaland. A committee of Members of Parliament has studied this matter, reviewed the progress and suggested measures for accelerating the progress in the above States.

5.10. The important recommendations of this Committee are:—

- (a) The emphasis given by the Rural Electrification Corporation to schemes of backward States should continue till the backward States reach the all India average of village electrification.
- (b) Necessary additional funds should be given to the Rural Electrification Corporation to the extent of Rs. 110 crores and further funds to the tune of Rs. 65 crores should be given to the backward States during the Fourth Plan period.
- (c) Additional transmission lines should be taken up for which Rs. 21 crores should be provided.
- (d) To reduce the power system and transmission losses a provision of Rs. 24 crores should be made for installation of shunt capacitors.

- (e) Necessary technical organisation to ensure coordination between the various departments and for implementation of the schemes should be built up.
- (f) It is essential to provide adequate maintenance and repair organisations for repairs of electric pumpsets and other energised agricultural equipment.
- (g) Whereas in most of the States the expenditure within the Plan is higher than the approved Plan outlay, in some States it is less than the Plan outlays. To ensure that the funds provided by the REC are additive to State Plan outlays, it has been suggested that from the Fifth Plan the policy of earmarking Plan outlays for rural electrification schemes followed in the Third Plan should be restored.

5.11. It is, therefore, essential to pay greater attention to the acceleration of rural electrification in the backward States in the years to come. In the paper "Approach to the Fifth Plan", it has been emphasised that a level of 30—40 per cent electrification in the backward States should be reached by the end of the Fifth Plan period. In the Fifth Plan proposals of the Ministry of Irrigation and Power such an approach has been adopted and we commend this. Greater attention should also be paid towards extension of necessary transmission lines in the backward States to support the rural electrification programme.

5.12. We have had the benefit of discussion with the REC officials on various issues arising from the present programmes. The following points have been high-lighted during these discussions:

- (i) There is need for augmenting and strengthening the organisations in the various States for rural electrification programmes.
- (ii) The absence of ground water directorates in several States has hampered the adequate surveys being carried out.
- (iii) Farmers have been experiencing difficulties in getting credit.
- (iv) Greater coordination is required to ensure that an integrated approach is adopted for all the development programmes in a particular area viz., development of agriculture, small scale industries, ground water exploitation and lift irrigation.
- (v) Need for improvements in the power systems and transmission systems to reduce the line losses.
- (vi) Adequate measures to prevent pilferage of electricity in rural areas.
- (vii) Need for stepping up of load surveys in rural areas.

Power for Industrial Use

5.13. Industrial activity being directly dependent on the availability of power to run machines, the re-opening of closed units of industries as well as multiplying the present number of shifts for the fuller utilisation

tion of excess capacity in a number of major and minor industries subject to the availability of other inputs are directly related to it. These are also directly related to the augmentation of potential production and the function of higher levels of employment. These are further conditional on other factors such as, the avoidance of break downs, industrial strikes and above all, of weathering the gathering power crises forecast for the coming years. We anticipate that this subject will be looked into by the Working Group on Industries in relation to the power consumption in rural industries, chiefly agro-based industries and the resulting impact on employment.

5.14. We have ascertained that the losses in the transmission of power are between 10 and 15 per cent in India as compared with those of two to five per cent in Japan and other developed countries. Reduction of these losses through the use of modern equipment and methods should receive the urgent attention of the Ministry of Irrigation and Power, through the modification of the Electricity Act, if necessary.

5.15. In an overall evaluation of employment generation through rural electrification programmes, we have observed that higher consumption of electricity is not merely confined to increasing physical output in both small scale industry and agriculture, but confers several intangible and indirect benefits. The "Report on Evaluation of the Rural Electrification Programme" (1965) of the Programme Evaluation Organisation, Planning Commission, has highlighted that whole-time and part-time employment have considerably gone up in operations such as cereal processing, oil crushing, sugarcane crushing, tobacco processing, cotton ginning and carding, saw milling, powerlooms etc. Similarly, in the field of agriculture the Report has observed that there has been a direct effect of electrification on profit from rural industries that are agree based.

5.16. In regard to rural electrification the intangible and indirect benefits have been enumerated as having a welcome effect on working time schedule, improvement of working hours of industrial units and also improvements in the reading habits of the people, greater participation in community institutions and above-all the general face lift of the villages.

5.17. The social cost benefit of rural electrification programmes, therefore, transcends the consideration of providing direct employment in the country side. An evaluation of improvement in the productivity would involve, in our view, the social benefits accruing to the workers, however, intangible they might be and difficult of evaluation. In view of the fact that the last Programme Evaluation took place in 1965 only, we recommend that an evaluation of employment generation through rural electrification in subsequent years might be undertaken by the Programme Evaluation Organisation (PEO), Planning Commission with special reference to the scope for expansion of the present schemes during the Fifth Plan period.

5.18. At the beginning of the Fourth Plan, 19 million hectares were covered by minor irrigation. With the provision of Rs. 1,470 crores for the Fourth Plan period and the fixation of a target of 7.2 million hectares, achievement of the target is already emphasised with an investment of Rs. 1,400 crores. According to the current employment norms

an investment of Rs. one crore in minor irrigation, there will be an employment generation of 1.3 million man-days. Employment in minor irrigation is substantially of unskilled labour and therefore, if the outlay in the Fifth Plan is maintained at the constant level of Rs. 1,470 crores, it might be estimated that during the Fifth Plan period, there will be employment generation of over 1,900 million man-days.

5.19. If the physical targets for the Fifth Plan are conceived twice higher than those of the Fourth Plan the outlay required for the Fifth Plan would be of Rs. 3,000 crores capable of generating 3,800 million man-days or 12.7 million man-years of employment in the rural areas. As the subject of minor irrigation in relation to employment generation falls within the purview of the Working Group on Agriculture, we assume that they would give detailed treatment to the issues involved.



CHAPTER 4

EMPLOYMENT GENERATION IN TRANSPORT AND COMMUNICATIONS.

Railways

6.0. We have observed that the various schemes of transport development covering the railways, roads, major and minor ports, shipping, civil air transport, tourism, communications, postal services and overseas communication services as examined in the Fourth Plan Mid-Term Appraisal, are not specifically employment oriented although the employment potential relating to certain schemes has been assessed. With a view to specifically identifying areas in which there is greater employment potential we had consultations with the Railway Board and other authorities.

6.1. The Indian Railways at present employ about 1.37 million persons including 0.37 million casual labourers. There are over 700 categories of employees. The average cost per employee comes to about Rs. 3,500 per annum. However, the railways do not have detailed information about the labour employed by the contractors. We recommend that in view of the large size of the casual labour employed by the contractors, the Railways Board should take greater interest in this aspect of the labour, particularly in areas where railway expansion has been taking place. According to the figures furnished by the Railway Board casual labour employed by the Northern Railway increased from 25,151 on the 1st January, 1961 to 28,283 on the 1st January, 1971. Those employed by the Northeast Frontier Railway increased from 13,314 to 34,943 for the corresponding period. The lowest increase was in the Western Railway from 2,200 to 2,546 for the above period. Diesel Loco Works recorded a slight fall in casual labour from 738 to 350 for the same period, evidently due to improvements in technology.

6.2. As the casual labour employed consists largely of landless labourers or those agricultural workers who are seasonally unemployed, it is our view that employment generation through contract labour has got considerable significance in backward areas and, therefore, there is need on the part of the Railway Board to bring out in clear terms the benefit accruing to the rural communities through their employment. The conditions of the recruitment of casual labour by contractors, their mobility from one place to another as required by the exigency of railway construction, the wage payments made to them, the housing and other facilities extended to them during particular periods of work appear to us as facts of considerable relevance for generating employment through railway transport. We recommend that apart from studying transport economics for which the Railway Board has established a chair in the Delhi University, there is an immediate need for the railways to commission studies by the universities or by the Indian Council of Social Science Research to carry out surveys of all types of rural labour employed in the railways, their socio-economic characteristics, and the social benefit accruing to the community in particular areas in this way. We are of the view that such surveys would supplement the information that is available at present. We are of the view that the

experience of the railways in recruiting casual labour will throw light on the basis of creating a land army in areas having abundant unemployed labour which could be utilised for rural reconstruction programmes, irrigation projects, including earthen dam construction, rural road construction and such other labour intensive activities where land armies would be required. The question of organising land armies has been dealt by us separately.

6.3. In this connection we have noted that the contract labour is common to all sectors of transport. It is our view that collection of statistics relating to the casual labour employed by the railways is an urgent necessity so as to bring about an appreciation of the extent of employment that is channelled through special projects of extension of railways, in sympathy with other development programmes in backward areas. We are also of the view that although the Railway Board has pleaded that financial constraints have prevented them from providing rudimentary housing accommodation to the casual labour in project areas, such considerations overlook social cost benefit and have, therefore, to be jettisoned within the limitations of possibilities, so as to see that further employment is generated through the provision of housing and other amenities during particular periods of peak work. We recommend that the provision of housing to casual labour should be examined by the Railway Board.

6.4. Our discussions with the Railway Board officials have shown that there is not much scope for employment generation in the railways through housing and other social amenities for the established staff of which about 38.6 per cent are housed in quarters provided by the railways where the occupants are charged only assessed rent or 10 per cent of the emoluments, whichever is less. We have been informed that the railways incur a loss on this account of an estimated figure of Rs. 10 crores per annum. Although this is a matter falling strictly within the purview of the Railway Board, we would like to emphasise that construction of houses, their renovation, expansions etc., for the railway staff could cover a larger percentage as it specifically promotes the social welfare of large numbers of railway staff in different parts of the country. As such, it may have a direct advantage of creating employment in the secondary and tertiary sectors of the surrounding urban areas and villages. We recommend that the employment generation that is implicit in any scheme of this nature may have to receive special consideration of the Railway Board and for this purpose, special studies may be undertaken with a short-term and long-term objective.

6.5. The Working Group has appreciated that the railways, are, at present, providing social amenities, particularly educational assistance, that has a long-term multiplier effect of employment generation in the railway colonies. We have been informed that in 1969-70, the railways were running 749 schools, three intermediate colleges, 48 higher secondary schools, 32 middle schools, and 666 primary schools at an annual cost of Rs. 3 crores. Similarly, they have also apprised us that the provision of medical and health facilities of the railway staff involves an annual expenditure of Rs. 19.50 crores and under this category alone, employment was provided to various categories of people. The expansion of medical and health facilities to the railway staff is, no doubt, contingent on the availability of finances for the purpose. All the same, we feel that since existing social amenities in this category provided by the railways constitute a very great chunk of the social benefits accruing

to the community as a whole, ways and means should be devised to specially strengthen this sector of the activity of the railways for the general welfare of the community. We, therefore, recommend that any extra expenditure involved in schemes of improvement of health, medical, educational and other social facilities undertaken by the railways should be met by the railways.

6.6. The Group fully recognises that railway projects are labour intensive and employment generation in the railways is substantially linked with programmes of developing feeder roads that help to utilise the existing assets at optimum levels. We would, therefore, urge that the current schemes for the construction of feeder roads be given priority in implementation and the employment generated thereby evaluated.

6.7. The Group, while recognising that the railway activities are primarily geared to promote passenger transport facilities, has also taken note of the promotion of the mobility of the worker and increasing his efficiency that is facilitated by the use of suburban transport. As there is great scope for employment generation through the doubling of works, conversion of lines and the starting of new lines, we recommend that all such schemes should receive the special attention of the Government. In this connection, we would like to observe that the employment potential for engineering, teaching and supervisory staff in all these activities is considerable. Similarly, the scope for employment of other categories of staff including labourers is also substantial. This may be assessed from the following facts furnished by the Financial Commissioner of Railways:—

TABLE II.1—*Employment Potential in Doubling/Conversion of and Construction of New lines etc., in the Railways.*

	Length (in Kms)	Cost (in Rs. crores)	Antici- pated period of comp- letion (years)	Employ- ment potential: engineer- ing and teaching supervi- sory staff	Other catego- ries of staff in- cluding labourers
<i>Employment</i>					
In doubling works	200	20	3	80	4,000
In conversion	500	40	5	150	7,000
In new lines	150	15	4	100	3,000

Source.—Ministry of Railways.

6.8. We have been informed by the Railway Board that they have adopted an input-output approach in regard to matters covering extension of transport facilities. In view of the fact that there is employment generation implicit in the movement of commodities and passengers from origin to destination as well as the movement of raw materials sourcewise, and despatch of finished products destinationwise, there is need for special studies by the Railway Board of the quantum of employment generated in the light of economic activity brought about by the railways in various important sectors. We also recommend that special studies should be carried out by the Railway Board on the

requirements of transport facilities involving the expansion of railways to connect various sectors of industrial production, such as steel mills, fertilizer plants, cement factories, thermal power stations etc., as specific steps relating to employment generation. We recommend further that the Railway Board might strengthen their research establishments, and supply greater information to the public than has been hitherto made possible through reports etc.

6.9. In our explorative approach towards employment generation in transport and communications, we have primarily, confined our attention to the railways. However, we have, to some extent, brought out the inter-relationship of the railway network with that of road construction. An investment strategy in the field of transport and communications will cover water transport, viz., inland water ways and shipping (both coastal and ocean-going), their infrastructural facilities such as major and minor ports. Similarly, communications network is a vast sector, where, apart from the normal levels of employment, the consequential effect of extensions, would have considerable impact. The formulation and implementation of spatial planning on a country-wise basis will automatically involve these sectors and cannot be gone into by us in this part of the report. Besides, there are no specifically employment oriented projects in this sector that will merit our examination at this stage. As the employment potential here is directly related to the financial outlays on extension of transport and communications we would like to sum up in the following sections our views on an investment strategy under each head and finally plead for an effective system approach that will establish the importance of interrelationships for policy formulation during the future Plans.

Road Construction, Expansion of Road Transport And Employment Generation.

7.0. The labour intensive character of road construction in India has been recognised under the various Plans right from the beginning. However, the distribution of Plan expenditure from 1951-52 to 1973-74 under the head of roads and road transport during the Four Plan periods has not exceeded 25 per cent of the total outlay on transport and communications, of which the bulk was accounted for by the railways. This may be seen from the following figures:—

TABLE II.2.—*Plan Outlays on Transport and Communications*

Mode of Transport	I Plan	II Plan	III Plan	IV Plan	Percentage distribution among different modes of transport			
	Rs. crores				I Plan	II Plan	III Plan	IV Plan
Railways	258.5	860.1	1326.0	1060.1	54.2	69.6	67.0	41.0
Roads and Road Transport	146.8	241.8	467.0	963.0	30.8	19.5	23.6	37.6
Ports	27.6	33.4	93.0	195.0	5.8	2.7	4.7	7.6
Shipping	18.7	47.7	40.0	141.0	3.9	3.9	2.0	5.5
Inland Water Transport	1.9	4.2	4.0	12.0	0.4	0.3	0.2	0.4
Civil Air Transport	23.2	49.0	49.0	203.0	4.9	4.0	2.5	7.9

Source.— Ministry of Shipping and Transport (Transport Research Division).

The potential of employment generation in roads and road transport is directly linked with the opening up of new areas for economic exploitation, for integration of rural and urban economies and for quickening the pace of overall development that constitute a basic necessity for the population at large. Roads have the advantage of reaching the farthest nook and corner of the country thereby contributing greatly towards the objectives of better diffusion of economic development. A national consensus is slowly emerging that road transport requires to get a higher priority in the Fifth Plan in so far as it represents a technological advancement in the transportation field. Factors favourable in this direction are the increase in the share of road transport in the total goods traffic carried by rail and road transport from about 11 per cent in 1951-52 to about 23 per cent in 1964-65. The share of road transport in total passenger traffic had also increased from about 26 per cent to 45 per cent for the same period. There is reason to feel that this pace has been kept up in subsequent years although this is not reflected in the construction of new roads or in the expansion of the existing ones.

7.1. The crux of the problem at present is the linking of thousands of villages and market centres to bring in new business, employment opportunities and general prosperity. The modernisation of agriculture, the dispersal of industries and the provision of adequate social services depend heavily on the network of roads in the countryside which cannot be served by rail. Evaluations of social benefit, both tangible and intangible, derived through the expansion of the road network show that there has been striking increase in agricultural and non-agricultural output that has found its way to the nearest market. Increased production activity in non-agricultural pursuits such as basket weaving, pottery making, cloth-weaving, collection of fire-wood and fishing etc., have also been observed. Tertiary activities have increased considerably alongside those of educational and social welfare activities. We are, therefore, convinced that road construction and expansion offers the potentiality of decentralised employment and acts as a forerunner for all other employment in economic activities in underdeveloped and backward areas. This has also been attested by the findings (1960) of an enquiry undertaken by the National Council of Applied Economic Research (NCAER) at the instance of the Ministry of Shipping and Transport in 1958-59 into the scientific computation of the employment provided by the road transport. We understand that the Planning Commission has entrusted a similar study for being undertaken by the NCAER recently. We welcome such a step.

7.2. We have already emphasised that the social benefit accruing to the rural communities through the expansion of the network of rural roads far exceeds the total outlay and expenditure in a particular year. According to the employment norms identified by the Planning Commission* at the time of the preparation of the Third Plan, Rs. one crore invested in roads generates annually 10,435 jobs as contrasted with 8,000 jobs in forestry, 7,000 in irrigation and 5,000 in agriculture and housing. The employment-investment ratio in small scale industries, railways, large industries, etc., for the same amount works out to only 2,000 jobs or less. On the basis of the above data it would mean that an investment that gives rise to 17.9 jobs in the railways or to 16.3 jobs

*Planning Commission : "Employment Trends and Prospects"

in large and small industries would yield 100 jobs in road programmes. For the same level of investment employment in road and road transport can increase five and a half times more than in the railways and slightly more than six times in large and small industries. According to estimates made by the Ministry of Shipping and Transport the average labour cost in road construction constitutes about 46 per cent of the total investment in road construction, meaning thereby direct employment for about 1.5 million unskilled workers for every rupees one crore of investment. In addition to this an appreciable amount of indirect employment would be created.

7.3. Road development in this country, in spite of its multi-fold benefits, has not kept pace with the requirement. Poor and inadequate road network has been one of the main obstacles to making effective use of the country's vast natural resources. Though some progress has been made in extending and improving the existing road network in the country since independence, yet the position as regards road length compared with many other countries is rather depressing, as may be seen in the following table.

TABLE II.3.—Road Length in Relation to Area and Population in Some Countries, 1968

Country	Road length in Kilometres per	
	100 sq. km. of area	Populations (lakhs)
United States of America	64	2994
United Kingdom	144	637
France	209	2290
West Germany	165	685
Switzerland	140	955
Japan	270	998
Ceylon	60	336
India	28	176

Source.—Basic Road Statistics, 1969-70. Transport Research Division, Ministry of Shipping and Transport. Table No. 17(5), Pages 477-478.

7.4. The first major effort to grapple with the problems was the 20 years road development plan (1961-81) drawn up by the Chief Engineers in 1958, that envisaged the following targets for the development of roads of various categories:—

TABLE II.4—Targets of Road Development

Road category	Kilometrage		
	As expected on April 1961	Targets proposed in the plan (1961-81)	Estimated cost in crores of rupees
National Highways	22,080	51,200	980
State Highways	56,000	1,12,000	1,680
Major District Roads	1,52,320	2,40,000	1,360
Other District Roads	1,15,280	2,88,000	650
Village Roads	2,50,720	3,60,000	630
Total :	5,96,400	1,061,200	5,200

The object of the Plan was to bring every village:

- (i) in a developed and agricultural area, within 6.4 Kms. of a metalled road and 2.4 Kms. of any road;
- (ii) in a semi-developed area, within 12.8 Kms. of a metalled road and 4.8 Kms. of any road; and
- (iii) in an undeveloped and uncultivated area within 19.2 Kms. of a metalled road and 8 Kms. of any road.

The implementation of the Plan envisaged an outlay of Rs. 5,200 crores over a period of 20 years, as under:

<i>Period</i>	<i>Outlay (Rs. Crores)</i>
1961-66	590
1966-71	1,065
1971-76	1,545
1976-81	2,000

7.5. The Sinha Committee which reappraised the requirement of rural roads in 1968, observed that by then the targets as regards the length of village roads (VRs) and Other District Roads (ODRs) achieved in terms of the 20 year plan were 10 per cent and 20 per cent respectively. The Committee assessed that 5.54 lakh kilometres of rural roads (VRs and ODRs) at an estimated cost of Rs. 1,430 crores (based on 1968 rates) would need to be constructed to complete the programme envisaged in the 20 year plan. The Committee indicated the following outlays for the different Plan periods:

<i>Plan Periods:</i>	<i>Rs Crores</i>
Fourth (1969-74)	265
Fifth (1974-79)	335
Sixth (1979-84)	385
Seventh (1984-89)	445

7.6. Taking into account the Planning Commission's suggestion to the States that 25 per cent of the outlay on roads in the State sector should be on rural roads and considering the outlay on special schemes of the Government of India, like the CSRE, rural works and command works programmes of the Ministry of Agriculture etc., it is estimated that Rs. 187 crores only would be available for rural roads in the Fourth Plan period. In this area alone, therefore, there is a backlog of Rs. 78 crores during the current Plan period.

7.7. Because of limitations of funds, we have observed, it has not been possible to direct attention towards the development of a road network in the country. As in respect of rural roads, the development

of national highways (which are the main arterial roads running through the length of States, major ports and foreign highways at international borders) has not followed the targets laid down in the 20 year plan. The main objective of bringing certain selected roads in the national highway system that came into existence on April 1, 1947 was to develop the major trunk roads of the country in a coordinated manner and to give relief to the States so that they could concentrate more on the development of other categories of roads. We have observed that as the main carriers of long distance road traffic, the national highways, have had to bear heavy traffic at an increasing rate of about 8 per cent per annum, and that at present the system carries about 30 per cent to 40 per cent of the total road traffic; both goods and passenger, although its length is only about 7 per cent of the total surfaced road mileage. The roads in the system which graduated mainly from State or District roads have, by and large, single-lane carriage-way with thin pavements that are obviously inadequate for the heavy traffic now plying on these roads. A narrow single-lane carriageway for trunk routes like the national highways, is not conducive to rapid, safe and convenient transport of passengers and goods overlong distances. In advanced countries, a two-lane width is considered the barest minimum for all major roads linking important centres of population, commerce and industry and this practice is followed regardless of traffic.

7.8. Apart from narrow and thin pavements, there are other deficiencies in the form of weak and narrow bridges and culverts, submergible bridges, causeways and dips and busy railway level crossings on the existing national highways which need to be removed. A survey carried out on the national highway system in 1968 revealed that bringing the existing national highway system to proper standards having double lane carriageway would involve a total cost of about Rs. 1,300 crores. In view of the increase in cost and further deterioration caused to roads since then, this cost may get higher still. Though some of the work of removal of deficiencies has been undertaken during the Fourth Plan period there remains a lot to be done during the Fifth Plan period.

7.9. Because of the limitation of funds, it has not been possible, so far, to direct attention towards expansion of the national highway system on which the development of road net-work in the country as a whole depends. This is illustrated by the following table:—

TABLE II.5—*Progress of National Highways.*

Year	Length (Kms) excluding missing links
1960-61	22,322
1965-66	29,815
1968-69	23,162
1969-70	23,378

Source.—Basic Road Statistics, 1969-70; Ministry of Shipping and Transport.

7.10. It will be seen that during the first half of the 20 year Plan (i.e. 1961-62 to 1969-70) a meagre length of 1,056 Kms was added to the national highways system compared with the targetted increase of

about 29,000 Kms for the 20 year period. We are convinced that this state of poor development could be mainly attributed to the small financial outlays on national highways during this period. Compared with the targeted outlay of Rs. 980 crores (at 1958 rates) proposed in the 20 year Plan, the actual expenditure during the first nine years was only Rs. 195 crores. It emerges, therefore, that there has been a considerable backlog in both physical achievements and expenditure with consequent impact on employment generation. Taking an overall view of the achievements made, employment generation through road construction has not been fulfilled to the extent heralded by the Chief Engineers in 1958.

7.11. The picture as regards the road system in the country as a whole, is none too rosy. By the 31st March, 1972, the total length of roads, both surfaced and unsurfaced (excluding those constructed by the Community Development and National Extension Service blocks which are kutchha and unclassified) stood at 7,50,000 Kms. This means that a length of only about 1,53,600 Kms. has been added to the country's road system during the first half of the 20 year Plan as against the targeted increase of 4,54,800 Kms. over the whole period. No doubt, finances have been the main restraining factor. The total expenditure on roads during 1961-72 was Rs. 1,163 crores compared with the outlay of Rs. 1,925 crores recommended for the same period in the 20 year plan. The extent of backlog in financial outlay needs to be viewed in the light of the fact that the 20 year Plan's cost figures were based on 1958 rates, and as such funds required for the completion of the work would be very much more than those estimated in 1958.

7.12. An interesting feature of the report of the chief Engineers referred to earlier was the emphasis laid on providing employment to the technical personnel by increasing the annual intake of graduate engineers from about 400 in the first year (1961) to about 750 in the 20th year (1981). Similarly, diploma holders were estimated to have employment opportunities increasing from about 1,140 in 1961 to 2,150 in 1981. The corresponding figures for technical personnel (draftsmen, tracers, surveyors etc.) were 1,200 in 1961 and 2,400 in the 20th year. In 1972, with over half of the 20 year period already over, we feel that the extent of employment of graduate engineers and other categories through the implementation of the Road Plan requires to be assessed in so far as the targets envisaged by the Chief Engineers have not been attained largely because of paucity of funds.

7.13. It is clear from the foregoing that road development has not been given its due share in spite of its huge contribution to the national exchequer. The total revenues from road transport derived by both the Central and the State Governments increased from Rs. 61.3 crores in 1952 to Rs. 552.28 crores in 1969. Against this, the expenditure on road development and maintenance amounted to Rs. 40.4 crores in 1952, increased to Rs. 86.5 crores in 1957 and to Rs. 196.37 crores in 1969. The ratio of expenditure to revenue was 66 per cent in 1952, 78 per cent in 1958 and 35.5 per cent in 1969. Apart from inadequate finances, absence of assured funds has been a factor inhibiting proper and planned development of roads. Assured finances will be possible through the establishment of a non-lapsable Road Fund to which all the proceeds of vehicle licensing, taxation, fuel oil duties, import duties on motor

vehicles and parts and driving licence receipts should go. A part of the fund could be diverted to general taxation for defraying the administrative costs associated with the control of motor transport in the public interest.

Road Transport

7.14. As against a total expenditure of Rs. 2,400 crores for railways in the first three Plan periods, the expenditure on road and road transport was nearly Rs. 850 crores. In terms of employment, the total number of railway employees was 9.1 lakhs in 1950-51 and this increased to 13.5 lakhs in 1965-66. During the three annual Plans (1966-69), an expenditure of Rs. 364 crores was incurred as Plan expenditure on road and road transport; of this Rs. 55 crores were spent on road transport only. Employment in public sector road transport undertakings, increased from 2.4 lakhs in 1966-67 to Rs. 2.7 lakhs in 1968-69. On the other hand, against the Plan expenditure of Rs. 509 crores during the three annual Plans by the railways, the increase in employment over the four year period ended 1969-70 was 5,000 only (from 13.52 lakhs to 13.57 lakhs). This tends to indicate that the employment potential per unit of investment in road transport is much higher than that in the railways. For the development of railway transport considerable investment has been made. In the larger national interest, road and rail transport need to be developed as complementary to each other. And for the purpose, it is necessary to spell out the projects in both the modes in terms of location and timings.

7.15. The potential for additional employment in road and road transport can be developed by increasing the labour intensity of road transport services and techniques of road construction. According to the 1961 Census, 5.8 lakh workers were then employed in road transport industry. The number of commercial vehicles can be considered as more than doubled now as the figures in the table below indicate :

TABLE II.6.—*Motor Vehicles on Roads—by Types*

(All India)

(In Thousand)

Year	Motor Cycles and Rickshaws	Passenger Cars and Jeeps	Taxis	Buses	Trucks	Others	Total
1955-56	40.96	187.87	15.31	46.46	119.10	15.86	425.56
1960-61	94.60	287.91	21.66	56.79	167.65	35.86	664.47
1965-66	241.70	420.10	35.72	73.17	258.98	69.37	1099.04
1968-69	402.65	509.41	50.49	86.57	306.80	120.58	1458.58

Source : Ministry of Shipping and Transport (Transport Research Division).

7.16. Eleven persons are employed per bus in the public sector road transport industry. The quantum of employment that the road transport industry can generate can broadly be estimated from the targets of motor vehicles of different types. Apart from the employment which the road transport industry generates directly, there is always creation of jobs for the ancillary industries which the investment in road transport creates. Thus with the growth of the road transport

industry, the other linked industries such as automobile manufacturing, motor repairing and servicing, tyre retreading, paint, varnishing etc., are also developed.

7.17. The development of road transport industry is intimately linked with the development and maintenance of roads, which can employ masses of unskilled workers. Roads and road transport are important not only because of their potentiality for employment generation, but also because these are needed for general economic development particularly in the countryside so that the migration from the urban areas is arrested. There are many villages which do not have an approach road; there are many more where there is no motorable road connected with them.

7.18. According to the Regional Transport Survey conducted in different parts of the country, the majority of villages of Gujarat have either no approach road or have one substandard road connection. In Maharashtra, two-fifths of the villages have no road outlet and about a third have kutcha approach roads. One-third of the villages of Uttar Pradesh have no road connection to the nearby market centres. The position in many other States is broadly of similar character. The length of roads constructed/maintained by different agencies is presented in the table below:—

TABLE II.7—Road length by Agency

(in thousand Kms).

Year	Central Govt. National Highways	State PWDs and local bodies	CID and NES	Other	Total
1966 .	24	531	280	223	1058
1969 .	24	571	348	228	1171
1970 .	24	570	369	226	1189

(Provisional)

Source — Ministry of Shipping and Transport (Transport Research Division).

7.19. In the discussions and deliberations on the ways and means of increasing employment potential through improvement of road transport, a primary consideration that weighed with us has been the priority to be accorded under the Fifth Plan to the increased production of commercial vehicles rather than to small cars by private entrepreneurs. From what has been stated by us in the foregoing paragraphs regarding the increase in passenger and goods traffic presently borne by the road system including the national highways, we consider the target for the production of commercial vehicles at 85,000 in 1973-74, as being on the lower side. The requirements of buses would also appear to us as being inadequate at the present estimated target of 115,000 for 1973-74. We are of the view that the expansion of the industrial and commercial activity also justifies the raising of the number of trucks on the road to 470,000 at the end of 1973-74. Apart from accelerating economic activity in the commercial life of the States, we are fully convinced that increased production of commercial vehicles will directly assist the State Transport Undertakings to reduce the congestion in passenger traffic and also add to their incomes through opening of new bus routes to reach

out distant parts of the State/Territories that are seriously handicapped at present in this respect. We recommend that in the interest of regulation and development of inter-State road transport and expansion of the spread effect of employment generation, all coordinating transport organisations should hereafter keep a close watch on the extent of employment resulting from the process. As this is a matter directly connected with the strengthening of the existing arrangements for transport research in the Ministry of Shipping and Transport, we recommend that a special cell should study this aspect constantly and coordinate its work with the State Bureaux of Economics and Statistics, Planning Boards and State Transport Authorities.

7.20. During our fact finding tours to some of the States, we were afforded the opportunity to acquaint ourselves with the extent of employment generation through the State Transport Authorities. Our findings in respect of Andhra Pradesh, Haryana, Maharashtra and Tamil Nadu are given in Appendix XXXI. We believe that without effective financial assistance from the Central and State Governments, either through adequate Plan provision or by reduction of direct taxation burden, road transport development is likely to suffer a serious set-back. It would appear to us that in the absence of an integrated plan of road and road transport development, the investment in roads would remain largely infructuous. We assume that the problems faced by the State Transport Undertakings in all the States bear substantial resemblance to the problems that we have stated in respect of some States. In this respect we recommend that comparative studies in the performance of nationalised transport undertakings are required to be carried out to assess the extent of employment generation and the scope for special planning within the States.

7.21. We have made separate observations about the rural road construction that is taking place under the CSRE. As we have made separate recommendations regarding the rationalisation of the funds allotted for the CSRE, we do not desire to dilate on the same here.

7.22. As between the railways and road construction, it would appear to us that investment in the road sector requires greater priority in so far as there has been an adverse impact of rail road competition on employment in the matter of freight transportation. Although we are aware that this problem has been exercising the minds of both the Railway Board and the commercial fleet owners. We have observed that no tangible measures have resulted from the viewpoint of consolidating the employment generation by both the sectors. As this is a neglected area of research, we would recommend that studies should be undertaken under the auspices of the Planning Commission on the basis of projections regarding the possible mutual impact of a continuing state of competition between the railways and the roads in regard to freight transportation. We would further recommend that this may be done in the light of an overall employment plan keeping in view the centres of economic activity in the country that have come up over the past few decades. As a good number of employment generating activities are at present hampered because of the bottlenecks in railways freight traffic comprising bulk commodities such as coal, steel, mineral oils, cement, fertilisers, foodgrains etc., we are of the view that the development of roads and commercial transport should not be permitted to slide down on account of smaller outlays and

to suffer as they assist in relieving the pressure on the railways and promoting construction activities in several regions not served by the railways at present. We would, therefore, urge that the comparative advantages of expanding road transport vis-a-vis the expansion of railway traffic should receive the attention of the Government in particular areas that offer scope for expanding rural employment during slack seasons in agricultural production.

7.23. From the experience gathered on the planning aspects of transport and communications in India, we have observed that there is increasing realisation of the need for a *systems approach* in the field in view of the interrelatedness and interdependence of various sectors such as the railways, roads, road transport, ports, shipping and ship building, inland water transport, civil air transport, tourism, pipelines, communications, broadcasting and television. We recommend that the strategy of employment generation during the Fifth Plan period should be wholly based on this new approach that is in vogue in advanced countries. Discerning students of Indian transport problems have also held this view¹ although organisational efforts have been confined to the reshuffling of Ministerial portfolios so far². We recommend that employment potential of this vast sector may be reviewed by the Committee on Transport Policy and Coordination based on the systems approach before the end of the Fourth Plan period.

Metropolitan Transport

8.0. The metropolitan cities of Bombay, Calcutta and Delhi present special problems of roads and road transport because of their constant expansion, ever increasing population and fast growing traffic. The revised outlay for the Metropolitan road programme included in the Fourth Plan was Rs. 13.28 crores; in addition Rs. 6 crores had been earmarked for Madras. We understand that because of financial constraints, delays in the acquisition of land, lack of effective co-ordination between different implementing agencies and difficulties in the evacuation of unauthorised hutment dwellers on the road alignments, progress in road construction in these cities was slow during the first three years of the Fourth Plan period. We would recommend stepping up the tempo of work during the remaining months of the Plan period especially in view of the fact that there is a large concentration of unemployed labour in these cities who could be employed.

8.1. We understand that many of the recommendations of the Planning Commission's Working Group on Metropolitan Transport Services which submitted its report in September, 1970 remain unimplemented. A provision of Rs. 50 crores was made in the Fourth Plan for metropolitan transport projects, but the progress has not been very satisfactory.

8.2. As mentioned earlier, road transport industry has enormous employment potentialities. We would recommend speedy implementation of sanctioned schemes for Bombay, Calcutta, Delhi and Madras and quick transportation and traffic studies of some other growing cities

¹ Wilfred Owen Distance and Development, Transport and Communications in India; Brookings Institutions, Washington, 1968.

² Final Report, Committee on Transport Policy and Coordination, Planning Commission, 1966.

like Ahmedabad, Bangalore, Hyderabad, Kanpur and Poona keeping the employment possibilities in view.

Ports

9.0. Employment potentiality in ports depends on the development activities undertaken in the ports and the import and export traffic handled. At present the port industry provides direct employment to over 2 lakhs of persons.

9.1. Port development schemes are, to a great extent, linked with bulk exports such as of iron ore and as such have to be viewed in the entire complex of mining, inland transport and ports. If traffic in different commodities increases, handling facilities are improved and sanctioned schemes are implemented expeditiously the scope for employment would increase.

9.2. We recommend that steps be taken to complete port projects on schedule and realistic projections made of traffic in various bulk commodities like petroleum oil and lubricants, iron ore and fertilisers keeping the employment aspect also in view.

Shipping, Ship Building, Lighthouses, etc.

10.0. The employment potential of shipping, ship building and repairing etc., is not very high. The number of seamen registered is about 41,000; of these 64 per cent are employed. The number of persons employed in the shipbuilding industry is about 40,000.

10.1. The existing share of Indian shipping in the country's overseas trade is about 20 per cent on the overall; it is nearly 40 per cent in the liner trade and 10 per cent in bulk cargo. On June 1, 1972, the operative shipping tonnage was 2.64 million GRT and 1.51 million GRT was on order.

10.2. A provision of Rs. 140 crores had been made for the shipping development programmes in the Fourth Plan; of these Rs. 125 crores were for the purchase of ships. The Planning Commission expect that the entire provision would be utilised by the end of 1972-73 and additional funds would be needed for 1973-74 to achieve the Plan targets and place some advance orders for the Fifth Plan.

10.3. The pertinent factors for determining the future shipping programmes are the credit terms on which ships would be available, the internal resources of the shipping companies, the balances in the Shipping Development Fund and the extent of reliance to be placed on acquisition of second hand ships.

10.4. For ship-building, excluding the schemes pertaining to the Defence Ministry, a provision of Rs 41 crores had been made in the Fourth Plan. The target fixed was 40 lakhs GRT. Nearly Rs. 29.41 crores are likely to be utilised by the end of 1972-73. We understand that the targetted production is not likely to be achieved because of factors like delay in supplies of equipment etc., difficulties in obtaining sanctions for essential imports because of constraints on foreign exchange resources and in procurement of steel. To the extent these could be

removed and the capacities fully utilised, more employment could be generated.

10.5. For schemes of Lighthouses and Lightships the Fourth Plan provision was Rs. 7 crores. Till the end of 1972-73, Rs. 4.4 crores are likely to be spent. Because of delay in acquisition of land, poor response in contract for tenders, non-availability of steel etc., there is likelihood of some shortfalls in the total expenditure.

Inland Water Transport

11.0. Inland water transport system has considerable employment potential in thirteen States where human habitations and economic activity have revolved round river beds since ancient times. These are Andhra Pradesh, Assam, Bihar, Gujarat, Jammu and Kashmir, Kerala, Maharashtra, Mysore, Orissa, Tamil Nadu, Uttar Pradesh and West Bengal. Among Union Territories, Goa is the foremost area where inland water transport development offers increased employment opportunities. The lack of proper maintenance of navigable waterways and the poor organisation of inland water transport have combined to depress employment levels in all the States. With the adoption of the system approach to the development of transport and communications that we have already recommended, we feel that the importance of inland water transport in conferring benefits on the economy of riverine States would be fully brought out. We would further stress on the need for the economic appraisal of inland water transport schemes in the above light.

11.1. A provision of Rs. 9 crores was made for the development of inland water transport in the Fourth Plan—Rs. 5 crores for Central Schemes and Rs. 4 crores (for Centrally sponsored schemes) for loan-assistance to the State Governments. In the Central sector, investment of Rs. 4.5 crores in the Central Inland Water Transport Corporation is the main scheme. The progress in the Centrally sponsored scheme has been slow because of late sanctions. During the first three years of the Fourth Plan period nearly Rs. 98 lakhs were spent. Most of the schemes included for execution were those recommended by the Inland Water Transport Committee (IWTC) (1970) headed by Shri B. Bhagawati MLA (Assam) and currently the Chairman of the Committee on Unemployment.

11.2. Annexure I gives the summary of the main conclusions and recommendations of the IWTC with which we are in agreement. It would be noticed therefrom that the IWTC had stressed the desirability of establishing suitable Technical Organisations by the State Governments as well as at the Centre. The Committee had also recommended the establishment of a high powered Board on a permanent footing to review the progress made in the execution of various schemes. The Committee had advocated installation of modern equipment in ship building yards and replacement of old crafts. It had recommended the establishment of an Inland Vessels Development Fund on the lines of the Shipping Development Fund and encouragement to formation of co-operative societies of boat owners. It had stressed the desirability of State legislation for governing country boat traffic, recommended compulsory insurance of passengers and suggested promulgation of a single Central Act to regulate the running of ferries throughout the country.

To promote tourist traffic the Committee had recommended developing of facilities for yachting, rowing, canoeing, water skiing, swimming and fishing.

11.3. The IWTC had recommended 32 schemes for being taken up as Centrally sponsored schemes during the Fourth Plan period involving a capital outlay of Rs. 12.42 crores and 14 schemes involving a total outlay of Rs. 14.89 crores for being taken up during the Fifth Plan period. Nineteen schemes involving an outlay of Rs. 6 crores during the Fourth Plan period have been sanctioned.

11.4. We understand that one of the reasons for the slow progress of the schemes recommended by the IWTC in some States is the lack of proper organisations for dealing specifically with the problems of inland water transport. We recommend that the question of speedy establishment of necessary organisations, wherever required, should be taken up with the State Governments concerned.

11.5. We are informed that non-availability of dredgers and other equipment is another handicap which needs the attention of the Ministry of Shipping and Transport.

11.6. We would like to emphasise that all the unimplemented recommendations of the IWTC should be implemented without further delay.

11.7. At our request the Ministry of Shipping and Transport had addressed the State Governments for information regarding the employment potential of each inland water transport scheme. Complete information has not yet become available, but we would like to mention that the figures supplied by the Governments of Tamil Nadu and Andhra Pradesh give an idea of the employment potential of the inland water transport schemes. This is given in the following table:—

TABLE II.8—*Employment Norms for Inland Water Transport*

1	Tamil Nadu	1. The personnel likely to be employed for execution of Indian Water Transport Schemes in the States
<hr/>		
	<u>Category</u>	<u>Man Years per Rupees</u> <u>One crore of expenditure</u>
	Skilled	80
	Semi-skilled	160
	Unskilled	8000
2. The extent of employment on a permanent basis that can be generated after execution of the development schemes.		
	<u>Category</u>	<u>No. of persons</u>
	Skilled	500
	Semi-skilled	500
	Unskilled	1400

2. *Andhra Pradesh*

Name of the Scheme	Amount (Rs. in lakhs)	Manpower to be employed	
		(Man Years) Skilled	unskilled
1	2	3	4
1. (i) Improvement to Buckingham Canal (execution work)	49.50	200	2,500
(ii) Increase in traffic of 1,82,000 tonnes of cargo by engaging 1000 new boats (after execution work)	..	100	7,000
2. (i) Converting Kalipatnam channel into Navigable Canal	6.93	32	400
(ii) The anticipated traffic of 20,000 tonnes of cargo by engaging 200 new boats (after execution work)	..	20	1,400
3. (i) Construction of Wharf at Amalapuram	1.335	6	22
(ii) Construction of tidal lock on Rendurulanka at Gopayalanka	4.712	13	200
(iii) The increase in traffic of 72,500 tonnes of cargo by engaging 500 new boats . . . . .	..	50	3,500
(iv) Construction of two locks and bridges on Upper Pulleru Canal	12.00	23	113
TOTAL	74.577	434	15,135

11.8. It will, therefore, be observed that for execution of inland water transport schemes against an investment of Rs. 1 lakh, about 75 to 100 persons will be employed depending on the nature of the work as also whether the work is done entirely by manual labour or with the help of machinery. Also after execution of all these development schemes, the extent of employment that will be generated on a permanent basis will be of the order of 25 to 100 persons, because improvement of these waterways and construction of allied structures will not only require personnel for their proper maintenance and operation, but will also accelerate larger movement of traffic and cargo. This will require employment of a large number of crews on the vessels/boats as also labour required for loading and unloading. Further, ancillary industries like setting up of new workshops for construction of new boats/vessels as also repair facilities will throw open employments for carpenters, fitters, blacksmiths and other skilled and semi-skilled men. Incidentally, this will not only create employment opportunities for the people of the region concerned but will also provide a social benefit to the people in those areas in the shape of providing communication facilities for movement of their commodities from remote areas/deltaic areas to the consumer centres, as these areas are not properly served/connected by the road or rail. Hence, we would like to emphasise and recommend that implementation of the selected schemes on the development of IWTC as already recommended by the Bhagawati Committee as also other similar schemes which have got large employment potential may be taken up on a priority basis

Civil Air Transport

12.0. The scope of providing large scale job opportunities in civil air transport is limited. The Fourth Plan had a provision of Rs. 202 crores for civil air transport. Till the end of 1972-73, nearly Rs. 145.33 crores are likely to be spent. Works at aerodromes have been delayed, but are likely to be speeded up, especially after the establishment of the International Airports Authority.

12.1. The case of unemployment among the commercial pilots, trained and licensed after test, was brought to the notice of the Group. In view of the expanding civilian transport and commercial air services for different purposes such as for agricultural chemical spraying on crops and plantations, aerial resource surveys etc., we recommend that alternate employment possibilities should be explored and expedited. They should be treated on par with other pilots in respect of seniority, fitness requirements etc.

Tourism

13.0. The Fourth Plan provided an outlay of Rs. 25 crores for the Central tourism programme; Rs. 14.23 crores for the programmes of the Department of Tourism and Rs. 10.77 crores for those of the India Tourism Development Corporation. An additional provision of Rs. 10 crores was made later. Till the end of 1972-73, the likely expenditure is expected to be about Rs. 19.07 crores and a shortfall in expenditure is expected.

13.1. We feel that the employment aspect of the tourism industry has not received due attention. Most of the schemes have been prepared keeping only the foreign tourists in view. Little attention is paid to attract and provide for the domestic tourists. In a country of the size and variety of India, any encouragement to see India is likely to be doubly rewarding. We understand that no studies have been undertaken to assess the potentialities of employment in the tourist industry keeping both the domestic and foreign tourists in view. This industry encompasses varied needs—for accommodation, transport, restaurants, guides, coolies, publicity pamphlets, souvenirs etc. Compared with big public sector hotels, no cheap living accommodation has been built by the Government for the tourists on the scale desired. We recommend that serious thought should be given to this problem and the low-income Indian tourist should be cared for. This way, employment would be found for quite a large number of people.

Pipelines

14.0. A provision of Rs. 11.75 crores was made (at the time of the Mid-Term Appraisal) in the Fourth Plan for pipelines to carry petroleum products. These cover the Barauni-Kanpur, the Haldia-Rajbandh, the Salaya-North West (Mathura), the Haldia-Barauni-Kanpur and the Gauhati-Siliguri sections.

14.1. This Group has no evidence as to the displacement or reduction in employment of the workers already employed at various terminals and depot points of the marketing companies, national and foreign. How-

ever, we recommend that in future the total employment position including jobs to be abolished and jobs to be generated should, at least, be balanced in cases of implementation of modern means of petroleum products transportation.

Communications

15.0. For the communications programme (including Posts and Telegraphs), the Fourth Plan had a provision of Rs. 520 crores. Nearly 66 per cent of this is likely to be spent till the end of 1972-73. The progress in respect of opening of post offices, telephone connections, expansion of coaxial cable system and microwave system has been slow because of administrative delays and shortage of material and equipment.

15.1. The employment potential of the communications programme is considerable. We would recommend early removal of all bottlenecks and greater coordination between the telecommunication services and the development of telecommunications industries so that the plan targets could be achieved.

Broadcasting and Television

16.0. A provision of Rs. 40 crores was made in the Fourth Plan for the development of broadcasting and television. The likely expenditure till the end of 1972-73 is estimated to be Rs. 19.3 crores. The employment potentialities under broadcasting and television are not significant.



ANNEXURE I

(Refer Para 11.2)

Summary of Main Conclusions and Recommendations of the Inland Water Transport Committee

1. It is high time that the Government of India declare a national transportation policy envisaging development of all modes of transport, viz., road rail and inland waterways. Declaration of a national transport policy itself will create a new impetus for development of a co-ordinated transportation system which, in turn, will make its contribution for the rapid development of the economy.

2. The national transportation policy should aim at exploiting inherent advantages of all modes of transport and harnessing them in the service of the nation. The object of the policy would be to bring about conditions for the development of all modes of transport in such proportions and combinations as would ensure that the return to the economy from investment in the transport system as a whole is maximised and that the total transport needs of the community are met at each stage at minimum cost to the economy.

3. Declaration of certain waterways as "National Waterways" will boost up the development of inland water transport in the country.

4. The criteria for considering any waterway to be declared as "National Waterway" should be its importance to the nation as a means of communication and its contribution to the economic development of the area and the country at large. Such waterways should either carry substantial traffic or must hold promise of development of traffic.

5. Important waterways such as the Ganga-Bhagirathi-Hooghly, the Brahmaputra, the Mandovi and the Cauveri rivers and the Cumbarjua Canal, the Mahanadi, the Godawari and the Narmada should be considered for declaration as National Waterways.

6. There is an urgent need to undertake hydrographic surveys of the waterways in order to exploit them fully for commercial navigation. These are essential for designing and planning of inland ports. In the absence of hydrographic survey data, the development projects would not be well conceived and may lead to infructuous expenditure.

7. It is necessary to provide facilities for training officers in hydrographic survey work. Such training could be made available either under the Indian Navy or the Commissioners for the Port of Calcutta.

8. In the larger interests of the country as a whole, it is necessary that the waterways should be properly maintained and improved to meet the growing transport requirements in the wake of rapid industrialisation. The Central Government should assume full responsibility for maintaining navigability of all important waterways by taking such measures as may be necessary.

9. A major factor holding up development of inland water transport has been the absence of suitable Technical Organisations both at the Centre and in the States.

10. The Head of the Inland Water Transport Organisation at the Centre should be designated as Director General with the status of Joint Secretary to the Government of India. This officer should be *au-fait* with the problems relating to inland water transport, such as river navigation, operation of crafts, conservancy of channels and combine in himself technical knowledge and practical experience to guide the development of this mode of transport.

11. The need to recruit officers of the right stamp having thorough knowledge and practical experience in the field of inland water transport cannot be over-emphasised. It is necessary that stress is laid and care exercise at the time of selecting officers and due weightage given to experience and accomplishment of the candidates in the specialised branch of inland water transport. It is necessary to prescribe terms which will secure services of men of the highest calibre.

12. Inland water transport cannot develop unless State Governments establish suitable Technical Organisations and vest them with the exclusive responsibility for this purpose.

13. The Technical Organisation at the Centre should be in overall charge of development of inland water transport in the country and should guide and advise the Technical Organisations in the States and co-ordinate their activities.

14. The Technical Organisations both at the Centre and in the States should have properly trained officers with up-to-date knowledge of inland water transport technology. In order to ensure this, full benefit should be taken of the facilities provided by developed countries for training of officers in the field of inland water transport.

15. The subject of inland navigation covering the commercial and operational aspects should be included in the courses in the Institute of Technology.

16. To ensure that the recommendations of this Committee are fully implemented and schemes for development of inland water transport properly pursued, it is necessary to have a high powered Board on a permanent footing to review the progress made in the execution of various schemes and suggest such steps as may be necessary for their speedy completion and proper growth of inland water transport. The Board should have a non-official Chairman, a few non-official members from States where there are prospects of development of inland water transport and a Member Secretary who should be a Technical Officer fully conversant with inland water transport problems. The Head of the Central Inland Water Transport Organisation should also be a member. For its proper functioning the Board should have a separate secretariat of its own. The Board should have regular meetings at fixed intervals.

17. The production of certain ship building yards should be improved by installing modern equipment. Such facilities are specially necessary at Government Workshops in Alleppey and Panaji.

18. In the interest of economic operation of inland water transport, replacement of old crafts is necessary. It is also necessary to evolve standard designs of hull and propelling machinery. While standardising the craft best suited to the Indian conditions, it is necessary to ensure that special features of old construction which are advantageous to local conditions are not lost sight of.

19. The recommendations of the Joint Technical Group constituted by the Government of India to examine the question of standardisation of various categories of crafts, which are in large demand, should receive earnest consideration of the Government and necessary steps taken to implement them without loss of time.

20. An Inland Vessels Development Fund may be established on the lines of Shipping Development Fund for giving financial assistance to the owners for acquisition of new crafts, modernisation of existing vessels and mechanisation of country boats.

21. The Technical Organisation at the Centre should evolve standard designs for construction of simple unsophisticated craft without board motors and for mechanisation of country craft. This Organisation should also render free technical advice to boat owners interested in mechanisation of their craft.

22. Government should devise some means of financial assistance to country boat owners and induce them otherwise to form themselves into Co-operative Societies to enable them to secure financial help from nationalised banks. A system of documentation should be introduced as in the case with the railways and road transport operators whose documents are negotiable through the banks. Insurance against loss of or damage to the boats and the cargo is also necessary.

23. Transport of passengers should be licensed and subject to strict control. The Central Government should persuade the State Governments to frame, without further loss of time, necessary legislation for governing country boat traffic.

24. Insurance of passenger risk should be made statutorily obligatory for licensed carriers. Safety of life of the passengers on board inland craft should be made a legal liability of the carrier and suitable measures taken for making insurance of passengers compulsory.

25. Promulgation of a single central Act to regulate the running of ferries throughout the country should be considered. Provision should be made to ensure that the lessee of a public ferry should not have the monopoly of running services even within a distance of 3.2 kilometres on either side of the waterway to the exclusion of other operators, when considered necessary by the State Governments. Rules may also be framed under the provisions of the Act to suit the local conditions.

26. The Inland Steam Vessels Act, 1917, should be made applicable throughout the country. The State Governments should frame rules under this Act to ensure that operation of inland water transport is properly regulated.

27. Section 32 of the Inland Steam Vessels Act, 1917, should be amended so as to make a report about an accident or wreck by any person, other than the Master of the vessel, sufficient for the purpose of setting up a Court of Enquiry.

28. The Inland Steam Vessels Act, 1917, should be suitably amended to enable State Governments to take action to clear navigable channels blocked by wreck or other obstruction or grounding of an over drafted vessel.

29. Exemption given to vessels belonging to or in the service of Government in respect of survey, registration and employment of qualified crew should be withdrawn. There is no objection to exemption being continued in matters relating to payment of fees for survey etc.

30. Any proposal for inter-linking of waterways should await consideration at the appropriate time when the need for provision of a continuous waterway is strongly felt and adequate data for preparation of projects is available.

31. It is necessary to make suitable provisions in the multi-purpose projects for allowing unrestricted navigation in future wherever, *prima facie*, such possibilities exist.

32. Whenever any river valley project is undertaken, the navigational aspect should be kept in view. The River Board or Commission set up to consider development of a particular waterway system either for irrigation or flood control, or any other purpose, should include a representative conversant with navigational problems to ensure that the navigation aspect of the waterway system is fully taken into account.

33. Facilities for yachting, rowing, canoeing, water skiing, swimming and fishing should be developed on the waterways, which are beautiful gifts of nature. These can be harnessed to promote tourist traffic which is a great foreign exchange earner. The Ministry of Tourism and Aviation should take energetic steps to popularise water sports at important tourist resorts.

34. Development of inland water transport should not be viewed from consideration of commercial viability alone. The benefits to the economy and the people at large are equally important considerations. Government should adopt a broader approach and ensure execution of the schemes which have been recommended.

35. The completion of the Farakka Project and the connected development of the Bhagirathi would provide an excellent perspective for the development of inland water transport in the eastern region, in so far as these works will make it possible to link the Ganga with Hooghly through the Bhagirathi by a perennially navigable route falling entirely within the Indian territory. Farakka is likely to become an important rail and road-cum-river transshipment point and should be developed into a modern inland port. Facilities for transshipment of cargo and berthing of inland craft should be provided on a priority basis.

36. Schemes estimated to cost Rs. 28 crores phased over a period of 10 years have been recommended. It will not be possible for the State

CHAPTER 5

GENERAL SCHEMES FOR THE EDUCATED UNEMPLOYED BY VARIOUS MINISTRIES (EDUCATION, INDUSTRIAL DEVELOPMENT) ETC.

17.0. During the course of our examination of the various Central schemes formulated for providing employment to the educated unemployed, we have taken into consideration the schemes framed by the Ministry of Education for the following categories:—

Scheme for Providing 100 per cent Central Assistance to States Employing 30,000 Teachers and 240 Inspectors by Expanding Primary Educational Institutes.

17.1. The importance of this scheme cannot be over-emphasised in view of the fact that it aims at providing jobs to trained matriculates whose number has been increasing year after year. A matriculate in the countryside is a very vocal person and, therefore, we assume that unemployment amongst them is a potential source of social unrest. The details of the programme envisages the appointment of 30,000 primary school teachers at the average cost of Rs. 275 per month for four months during 1971-72. A sum of Rs. 3.30 crores has been provided for it. It has also been proposed that one Assistant Inspector of Schools may be appointed for every 125 teachers. For appointing 240 Assistant Inspectors of Schools at the rate of Rs. 500 per month for four months during 1971-72, a financial allocation of Rs. 4.8 lakhs has been provided. According to the scheme, primary school teachers and Assistant Inspectors of Schools will draw the salary and allowances as admissible to those of similar categories in the States/Union Territories.

17.2. The scheme has the merit of excluding States/Union Territories which do not have large-scale unemployment among matriculates. As a concrete step towards absorbing trained matriculates as primary school teachers in large number, we are of the view that the continuance of the scheme should be ensured throughout the Fourth Plan period. However, the work of scheme, as such, does not appear to have been related to the requirements of school buildings and such other considerations which are very inadequately provided at present in several important States. It has been represented to us by many persons that arrangements in Uttar Pradesh, Bihar, Madhya Pradesh and similar backward States are extremely deficient in this respect. Taking an overall view of its feasibility, we recommend that the entire scheme should be given a re-orientation at the State level by involving the State Governments in providing infrastructural facilities. In this respect we are of the view that the financial outlays for the purpose should not be based on norms fixed at higher levels of school building and equipment involving heavy investment but should proceed on the basis of what is practicable on the spot and immediately. The need for coordinating the work resulting from the scheme with the Department of Community Development, the Department of Social Welfare and the Ministry of Labour and Employment requires to be stressed.

Scheme for Training Graduate Engineers and Diploma Holders

17.3. The second most important employment generating programme sponsored by the Ministry of Education covers training to be imparted to graduate engineers and diploma holders in industries. This programme which has already been implemented in different parts of the country envisages the provision of a stipend of Rs. 250 per month to graduate engineers and Rs. 150 per month to diploma holders who are undergoing training in industries. We have ascertained that training capacity under this programme has been expanded to 10,000 places and the programme, as such, holds out the prospect for fresh engineering graduates and diploma holders to acquire practical training in public private sector establishments so that they may be gainfully employed. The programme clearly states that it does not guarantee any employment after the training.

17.4. In view of the constructive basis of the scheme, the Group, during its deliberations and discussions with special invitees in New Delhi as well as during their tours of the States, gathered information and opinions regarding the manner in which the scheme has been in operation. On a detailed consideration of the stipendiary programme for engineers and diploma holders, we have come to the conclusion that it is far from being pragmatic in its implementation at present. We recommend that in order to make the scheme sufficiently attractive the following steps should be taken immediately:—

(a) The stipend of Rs. 250 may be split between the factory and the trainee with a stipulation on the former to raise the counterpart funds to support the trainee during the training period and till such time that he gets a steady employment. Since the programme does not guarantee any employment after training, we feel that unless the institutions offering training facilities are drawn into the programme in a more realistic manner, it will not attain its objective. We, therefore, recommend that suitable steps should be taken by the Ministry of Education in consultation with the Department of Labour and Employment to associate the training institutions in a closer fashion than has been possible hitherto.

(b) We are of the view that if the training is to become functional in respect of the Plan, etc., and commensurate with the previous education of the trainee, some incentive should be given to the factory owners and the managers so as to interest them in the programme without, at the same time, neutralising their own special recruitment arrangements. Besides, it has to be conveyed to them that the stipends given to the trainees are not meant to become doles.

17.5. On further consideration of the lines on which certain safeguards have to be built into the programme in order to make it effective, we recommend that the following steps may be taken by the Ministry of Education to put the programme on a sound footing at the implementation level:—

(i) The public sector projects should have a broad staff structure representing whole of India and not reflect the class structure of the State in which it is located. In this respect we would underline the features of contrast that existed between Hindustan Steel and Bhilai Steel in the matter of recruitment on an all-India basis during previous

years. Wherever all-India representation was insisted upon, we have observed that there were greater chances of trained engineers being absorbed in public sector projects irrespective of their State of origin. It is our view that certain public sector projects are found wanting in this respect even at this stage and excessive allegiance to local influences exerting pressure for the recruitment of engineers belonging to the particular State where it is located.

(ii) We recommend that recruitment on the basis of mere academic qualification of a high order overlooking the non-suitability of the trainees from the angles of vocational aptitudes, skills and the display of potentially managerial abilities, should be discontinued forthwith. We would emphasise in this connection that a good number of trainees who are unsuitable have already been absorbed at the expense of others who are well qualified and satisfy all the essential criteria of selection.

(iii) We recommend that the Ministries of Education and Industry should see that successful trainees are provided with jobs soon after training preferably in the areas where they were trained.

(iv) We recommend that the Government may review the unemployment among graduates of management institutes with a view to reorienting the policies adopted for admission. In this connection, it has been brought to our notice that consequent on the general eagerness of all and sundry to improve their job and career opportunities, there is usually, a spate of applications received by these institutes and the admissions given are not always in terms of the intensive vocational aptitudes of the applicants themselves. As training facilities in management are limited in the country, we would recommend that a more selective approach should be adopted in giving admissions.

(v) Considering the absence of proper enforcement arrangements in the implementation of the programme by the States, we recommend that a Central directive should be given to the States to bring about an element of compulsion on the institutions in improving the training facilities and also to counteract the baneful pressures of local politics and trade unions in the matter of recruitment of engineers and diploma holders to public sector units located in the States.

Scheme of Intensive Training for the Promotion of Self-employment of Industrial Training Institute Certificate Holders and Apprentices.

17.6. The next important scheme that has been examined by us is the scheme of intensive training for the promotion of self-employment of Industrial Training Institute (ITI) certificate holders and apprentices. We have recognised that a good deal of trained manpower under this category are, at present, unemployed for want of opportunities of employment. There are, at present, 356 Industrial Training Institutes in the country where training is imparted in 32 engineering and 22 non-engineering trades to the educated youth. The 1968 figures for these two categories are 52,347 and 3,971 respectively. The number of full-term apprentices trained under the Apprentices Act, 1971 in 50 designated trades was 6,183. These craftsmen were trained for organised industries and according to recent statistics, 39 per cent of the successful ITI certificate holders and 25 per cent of the passed out apprentices remained unemployed.

17.7. As the scheme is important in raising the middle-level technical skills, we have made enquiries about its implementation and the extent of the promotion of self-employment that it has achieved. We have come across a number of complaints regarding its implementation which has been left to the States. The designation of Directorates of Training in Industries, Small-Scale Industries, Corporations, State Industrial and Investment Corporations, as implementing agencies have not in practice worked to any satisfactory extent. Similarly, the appointment of suitable committees by these agencies to screen the applications for the types of projects for which the trainees will apply soon after the termination of training appears to have been bogged in cumbersome procedural formalities. In respect of Haryana and the Punjab where there has been some attraction towards the scheme, we have observed that the basic difficulty is the long period of training of two or three years followed by apprenticeship which total over five years which few young men can afford to undergo under normal condition of hardship faced by their families.

17.8. It has been brought to our notice that in a large number of cases, after the period of training the young man usually foregoes apprenticeship and takes up wage labour of an inferior category. It has been submitted to us that this tendency has reduced the attractions offered by the scheme considerably, coupled with the fact that the minimum wage for engineering workers at Rs. 104 per month, is far below the levels at which they would be paid on a daily basis for particular tasks. Stipend fixed under the Apprentice Act on an all-India basis provides only Rs. 40 per month whereas the daily wage of workers in States like Haryana exceeds Rs. 4. As the wages are higher during harvest seasons in the Punjab, many of the ITI certificate holders prefer to take up manual labour. It has been suggested to us that greater control should be exercised over the implementation by the Centre. We endorse this view and recommend that there should be a review of the entire scheme State-wise and that the training period and the apprenticeship period should be reduced to half and compensated by intensive training. The period of apprenticeship should not, in our view, exceed six months or one year at the most.

17.9. We also recommend that the training grant of Rs. 40 per trainee, per month, is too low and that it should be enhanced to, at least Rs. 100 and provided to the institutes concerned in order to meet the cost of raw materials, consumables, electric and water charges and such other allied expenditure incidental to the training-cum-production unit. In this respect with the enhancement of the training grant, the training institutes could be obligated for providing employment to the trainee and in this manner also persuade him to undergo intensive apprenticeship.

17.10. As regards the contingent grant of Rs. 2 as well as an equal amount provided for the trainee for his personal expenditure, recreation and medical facilities, we feel that there is a necessity to enhance the amount so that the youngmen drawn to the scheme are afforded greater attractions of continuing their training and apprenticeship. We recommend that this aspect may also be examined in keeping with the minimum standards to be assured to the trainees at the prevailing levels of cost of living in the State/Centre concerned.

17.11. In regard to the financial assistance provided to the trainee in the nature of the authorisation of a loan from the banking institutions, our general finding has been that banks do not advance loans unless the trainee provides two guarantors. It has been brought to our notice that providing guarantee of this nature involves additional financial expenditure on the part of the trainee in the nature of bribes and, therefore, the percentage of trainees who have taken advantage of this provision has been rather small in States like the Punjab and Haryana. We are, therefore, inclined to take the view that the provisions in the scheme for financial assistance to be extended to the trainee by banking institutions require revision in relation to the realities prevailing in the various States. We recommend that a State-wise survey should be undertaken by which the quantum of loans advanced so far under the head could be assessed in relation to the self-employment generated among the ITI certificate holders.

17.12. We are of the view that the Committee of Direction provided under the scheme, requires to go into the deficiencies of the scheme *in toto*. The concerned Ministries/Departments, Development Commissioner, Small-Scale Industries, Chambers of Commerce and Industries, the Reserve Bank of India, and the Industrial Development Bank of India (IDBI) might go into the question *de novo* so that this potentially viable scheme for generating self-employment is not vitiated by the deficiencies at the implementation level of various agencies in the States. We are of the view that the continuance of the scheme, as such, beyond the Fourth Plan should be conditioned on its modification on the above lines and that the Fifth Plan should reorient the scheme in relation to particular States where it has shown serious deficiencies in evoking response due to faulty implementation.

17.13. Viewed both in respect of the formulation of the scheme as well as its implementation, we are of the consensus that the schemes and programmes sponsored by the Ministry of Education do not reflect detailed inter-Ministerial consultations or the full acquaintance with the socio-economic realities of unemployment particularly, among the educated unemployed prevailing in the various States. Too often, we have come across situations in which there is a basic lack of appreciation of the need for cooperation that has given rise to serious complaints. The lack of a sense of direction in implementation strikes us as primarily due to the lack of coordination at both the Central and State levels. Financial allocations also appear to be meagre as training grants. They have been conceived without taking into account the prevailing wage and income-levels in particular States and too often, the implementing agencies have been found to be highly lethargic and not sharing the basic objectives of the schemes as such.

17.14. In view of the above, we recommend that a disaggregated approach should be adopted by taking into consideration the differential levels of unemployment faced by the ITI certificate holders and also the variations in the elasticity of demand for particular services of the ITI certificate holders in the State in keeping with their overall development and constructional and other activities that are in progress. As the training facilities vary with the levels of efficiency of the management of the institutions concerned as well as the industries

themselves, it would appear to us necessary on the part of the Development Commissioner, Small-Scale Industries to categorise the institutions in terms of their efficiency other than productivity as such and evaluate their commitment to the national objective of generating self-employment through the operation of the scheme. We recommend further that efforts should be made to motivate the young men who have received training to venture into the industrial fields on a self-employment basis with greater confidence and financial backing than what has been possible for them to obtain under the prevailing circumstances.



CHAPTER 6

SCHEME FOR THE EDUCATED UNEMPLOYED IN INDUSTRIAL AND AGRO-INDUSTRIAL UNDERTAKINGS

18.0. The Working Group has fully taken cognizance of the fact that unlike programmes for providing relief employment during conditions of droughts, famine and other similar contingencies, the formulation of programmes of employment generation either on short-term or long-term basis, covering the broad sectors of education, industry, health, social welfare, etc., have to be based on certain broad as well as specific guidelines to be conceived realistically and worked out in greater detail by the Ministries concerned. In this respect we have observed that the Planning Commission had given consideration to these in 1971 and suggested certain broad guidelines for formulating suitable programmes for the educated unemployed. These are restated here :

- (i) The programmes should be for the benefit of the educated unemployed including engineers and technicians;
- (ii) The programmes should be of a developmental nature and should fit into the Plan objectives;
- (iii) Normal administrative programmes, which are to be financed from the non-Plan budget should be excluded; and
- (iv) The programme should be of a nature which could immediately be launched and of the type which could preferably be executed in a period of one year or so.

18.1. Although we are in agreement with the broad outlines given above, we recommend that hereafter the Planning Commission as an expert body, of several years, standing, may spell out in greater detail the premises, approaches and policy framework that should be a scheme by a Central Ministry *ab initio*. It is otiose to mention here that every project/scheme for employment generation has its economic, technical, organizational, and financial aspects and above all in the field of labour, irrespective of whether it is unskilled or skilled, has its human aspects. The human aspects relate to the welfare considerations including the conditions of work, attitude to work, work discipline and amenities for work in distant places. Project appraisals based on large enterprises in India or abroad do not spell out these aspects and generally lump them together under the rubric of labour productivity. Under Indian conditions, specific attention requires to be bestowed on the social characteristics of labour and both at the formulation and implementation stages, the participation of labour requires to be anticipated and assessed both on technical and social considerations and also on the basis of psychological criteria of work-motivation. An overall assessment of these in relation to experience is lacking for the guidance of the administrative Ministries and therefore, we have reason to feel that this gets reflected in the formulation of schemes *a priori*.

18.2. As project formulation is a field of expertise in any field, it is all the more so and indisputably interdisciplinary in character, in the context of employment generation amidst the educated unemployed. The fluctuating levels of the numerical strength of administrative officers and efficiency in performance in the Ministries due to transfers and promotions, do not leave behind any repository of experience for their successors to draw upon in the matter of project formulation. Too often, therefore, the projects are chimerical in conception and satisfy only the bare essentials of criteria and overlook the standard norms that have been identified on the basis of long experience. At any rate, they fail to reflect mature thought or understanding and betray an arm-chair outlook. Hence, we recommend that guidelines, should be examined and worked out by the Planning Commission and forwarded to all concerned Ministries in the form of Manuals suited to their spheres of work by bringing out the larger inter-relationships with all sectors and anticipating the *Prima facie* implications in regard to work patterns, worker's participation, financial outlays, of the project in question. A technical cell, other than the Economic and Statistical Research wings of Ministries could be entrusted with the coordination of this work with the Planning Commission by associating economists, sociologists and psychologists with it. The need for training officers and staff specially to perform tasks of this nature cannot be over emphasised and we, therefore, recommend, that this question should be gone into by the Department of Personnel, Cabinet Secretariat.

18.3. The formulation of schemes for educated unemployed by the various Ministries under the 1971-72 budget provision of Rs. 25 crores has been substantially based on the above quoted guidelines supplied by the Planning Commission. A discussion of the schemes forwarded by the Ministries of Education, Irrigation and Power, Petroleum and Chemicals, Agriculture, Industrial Development, Shipping and Transport, and Health and Family Planning, covering educated unemployed that took place under the auspices of the Planning Commission, appears to have highlighted many defective projects in the formulation of schemes. As some of the defects are in the nature of standard errors liable to be committed in the formulation of general and specific schemes we have ascertained them in some detail and given further thought about deducing certain principles for follow-up in future formulations. The overall assessment of all employment oriented schemes by the Centre and the States will be attempted by us towards the end of this section. The comments offered here do not fall into the uniform category of any one aspect of project formulation or implementation, either economic, financial or organizational but have been put down as of primary importance in relation to the schemes discussed below:

Schemes for Agro-service Centres

18.4. The objective of the scheme is to provide self-employment opportunities to engineers, diploma holders, agricultural graduates and other technically qualified personnel. Special orientation training over a period of three months will be provided with free boarding to those qualified personnel, who are committed to set up workshops etc. We understand that in all, 242 entrepreneurs have undergone short-term training courses organised by the regional training centres at Budni and Hisar.

18.5. The conception of agro-service centres includes the provision of consultancy services and arrangements for the hiring out of tractors and agricultural implements and the provision of assistance in land development, installation of pumpsets etc. The agro-service centres are envisaged also to provide facilities for storage and processing, supply of inputs, such as fertilizers, pesticides, seeds, spare parts, engineering stores, fuel oils, lubricants, etc. Briefly stated, the entire scheme represents, to our mind, an effort to rationalise the organisation for sustaining the new agricultural technology. However, it also affords opportunities for self-employment to technically qualified personnel and attempts to attract them towards the fostering of this technology. Ninety-five agro-service centres have been established. Of these, 38 are in Uttar Pradesh, 37 in Bihar, 18 in Haryana and two in Madhya Pradesh. When the scheme was started in 1971-72, an outlay of Rs. 9 lakhs was envisaged for each Centre with Rs. 5 lakhs as capital and Rs. 4 lakhs as revenue expenditure. The starting of 500 pilot centres initially has now been raised to 2,500 centres.

18.6. From the financial viewpoint, the scheme has given rise to numerous difficulties in the way of engineers and other seeking self-employment. Although at present five big banks (Bank of Baroda, Central Bank of India, Punjab National Bank, United Commercial Bank and Bank of India) have formulated schemes for financing these agro-service centres, the major problem appears to be the method of dispensing with the demand for margin money and security of 200 per cent on the loan amount advanced to the entrepreneurs. It is obvious that unless this is done, the question of larger number of engineers obtaining self-employment through the scheme will be vitiated.

18.7. Financial outlay for the scheme in the Fourth Plan amounts to Rs. 373.32 lakhs; against the Budget allocation of Rs. 75.72 lakhs, an expenditure of Rs. 13.54 lakhs has been reported.

18.8. The Group has examined the scheme from the standpoint of its conception and operational difficulties. As an attempt to evolve a solution to the twin problems of providing employment to engineer-entrepreneurs as well as the creation of agro-service centres mainly catering to the needs of fostering agricultural technology, it has evidently faced difficulties from the time it was put into operation in the different centres. While the training facilities are proceeding apace, difficulties have been encountered in the allotment of tractors and other equipment on a hire purchase basis: the quick disbursement of cash loans has been handicapped by the insistence on the part of the banks on a 15 per cent initial deposit and 20 per cent security before providing credit. Based on our discussions with various interested people, we feel that the impetus given to tractorisation and consequent need to import tractors have somewhat dampened the expectations of labour-intensive employment generation through the scheme. We feel that affording opportunities for technical personnel, through the scheme, has therefore, its serious limitations; its present line of operation is, by far and large, likely to confine its benefits to such privileged category of persons who can provide finance for the purpose or bring about a situation by which the banks also accommodate their request. The possibility inherent in the scheme of helping engineer-entrepreneurs of middle income level is, therefore, to be seriously doubted.

18.9. An important consideration which leads us to make the above observation, has been the fact that the scheme was formulated without conceiving a proper method of evaluating the responses of engineer-entrepreneurs to be drawn within the ambit of the scheme. For example, the fixation of the ratio of 1:1 between graduates and diploma holders has been found to be not very practicable. Another important consideration is that arrangements for training of engineer-entrepreneurs from various States had not received the deserved degree of attention. Advance arrangements for basic facilities that are available in certain institutions would appear to be requiring supplementary organisational arrangements to make the training possible on a regular basis. The spread of agricultural technology being limited to the high-yielding variety programme areas only, we entertain doubts whether the agro-service centres scheme formulated by the Department of Agriculture would ultimately attain its objectives.

18.10. We have appreciated that there have been proposals for an interest subsidy of 5 per cent on the cash loan so as to reduce the financial difficulties substantially. We agree with the view that the subsidy should be the difference between normal lending rate of the financial institutions and 5 per cent—the minimum payable by the entrepreneurs as in the case of the Ministry of Industrial Development scheme. The question of subsidy being an item remitted to the Fiscal and Financial Group, we would expect that they would go into this aspect in greater detail. We are also of the view that the subsidies given to the Agro-Industrial Corporations require to be gone into in relation to their performance so far. We have, during our deliberations and tours, heard allegations about their working in different States, of the partial manner in which benefits have been distributed by these bodies under considerable political pressure. In the overall question of the disbursement of subsidies to these bodies under the Fourth Plan, we feel that there are legitimate grounds for review. There is scope for providing further employment through the scheme and we recommend that this should be explored further. We are of the view that an uncoordinated performance of the agro-service centres in this respect will reduce employment in the areas where agricultural technology has been generally a success.

18.11. On an overall examination and discussion of the agro-service scheme, we feel that while the banking system has rapidly extended facilities for financial assistance to entrepreneurs, it has become necessary to examine why suitable directions should not be issued by the Ministry of Finance to ensure that deserving entrepreneurs get financial assistance without much difficulty, particularly in regard to security and margins. We recommend that the issues relating to coordination with other Ministries require to receive advance consideration in all the proposals for the expansion of the scheme.

Financial Assistance to Engineer-Entrepreneurs for setting up Industries

18.12. The Ministry of Industrial Development has formulated six different schemes to provide employment opportunities to the educated unemployed including technically qualified personnel. The scheme envisages to provide for 'seed' or 'margin capital' on loans to be advanced by approved financial institutions, establish commercial estates, supply indigenous machines on hire purchase terms, make provision of equity

or 'preference' capital to private and public limited companies of technicians, make provisions of financial and other assistance to cooperatives of technicians, and for the establishment of industrial estates. We understand that except for the last three schemes that are to assist technically qualified persons, there are no alternatives for assisting those who have passed at least the secondary school or an equivalent examination including the technically qualified persons.

18.13. In terms of outlay on the above schemes, we understand that Rs. 6.5 crores was sanctioned to the States and Union Territories for specific schemes during 1971-72, against which an amount of Rs. 6.39 crores on the basis of actual expenditure indicated by the State Governments has been finally released. We further understand that the Ministry of Industrial Development has estimated that these schemes would provide employment to about 15,000 persons during the year, of which about 1,500 will be graduate engineers and diploma holders. Here again we understand that the State Governments have not furnished details of the progress and fiscal achievement to the Ministry of Industrial Development. Notwithstanding this, an additional provision of Rs. 6.5 crores has been made for 1972-73 as well. We welcome that there is enough evidence at present that has prompted the Planning Commission to make the provision so that assistance to small entrepreneurs would continue during the Fourth Plan period.

18.14. The scarcity of industrial entrepreneurship has made itself felt in the country a great deal as qualified engineers, unless given practical training in management techniques, are found to lack the enterprise for starting industries on their own. The need for engineer-entrepreneurs to start industrial ventures has to be backed up by adequate financial assistance. As a scheme with a substantial annual outlay, we are of the view that it requires reformulation at various stages based on the experience of implementation.

18.15. In regard to the starting of ventures by the Industrial Development Corporations by utilising indigenous raw-materials and on the basis of the research done by laboratories, we agree that it may not be possible for the unemployed graduates to promote such ventures because of the lack of experience. Too often there is a facile assumption that the starting of ventures would be easy with some degree of initiative and enterprise. If any new projects are to be developed from the laboratory stage to the stage of commercial concerns the hurdles could be stupendous and therefore, the State Industrial Development Corporations could be asked to assist by participating in the equity capital to the extent of, say about 30 per cent, instead of financing the proposals fully.

Scheme for Engineering Cooperatives

18.16. In regard to engineering cooperatives for which provision of Rs. 1 crore was made by the Ministry for assisting technically qualified persons in forming cooperatives for producing specific items, we have ascertained that no serious flaws were found and that the scheme requires a larger outlay and considerable encouragement to the cooperatives already formed in some States. We would in particular recommend that greater outlay may be earmarked to meet the requirements of engineering cooperatives in States such as Kerala and West Bengal.

Commercial Estates

18.17. In regard to the starting of commercial estates, we agree with the view that they should be developed in suitable growth centres, taking the cooperation of the lead banks and assistance from the IDBI. We also recommend that the proposal might be tried on a pilot basis for which a provision of Rs. 50 lakhs was felt reasonable. As a scheme with larger implications to the existing pattern of industrial production and distributive trade, we propose to consider this in greater detail when we deal with employment generation through new schemes that have a bearing on the States.

Scheme for the Development of Industrial Estates.

18.18. During our visit to the Kerala State Engineering Technicians (Workshop) Industrial Co-operative Society Ltd., Trivandrum, we have had the practical demonstration of the opportunities of finding self-employment to unemployed engineering technicians by starting priority oriented productive industrial activities based on "share-participation-cum-self-employment". Some of the details of their practical achievements may be given here as illustrative of the possibilities in this direction. At present the scheme has been in operation for over a year under the name of the constituted body called "ENCOS" whereunder an engineer contributes Rs. 5,000, a diploma holder Rs. 3,500 and an ITI certificate holder Rs. 2,500 towards the share capital. The State and Central Governments together contribute three times share capital raised from members and the balance funds are raised from institutional financiers and banks. A total share capital of Rs. 12 lakhs has so far been raised from members with an additional Rs. 35 lakhs from the Government. The industrial cooperative expects to raise Rs. 20 lakhs from the members so as to take advantage of the provision by the Kerala Government of Rs. 60 lakhs for the current year.

18.19. For the past $1\frac{1}{2}$ years 'ENCOS' has undertaken five projects, viz., a scooter project at Trivandrum and Alleppey, a Foundry at Ottapalam, Boat Building and General Engineering Workshop at Ernakulam, a Switchgear manufacturing unit at Olavakkot and a Civil Construction Unit at Malappuram. The total capital outlay of the projects comes to about Rs. 3.60 crores. The industrial cooperative has already provided employment to about 400 persons and have committed employment to further 100 persons. Apart from these, an additional 1,000 persons will be provided employment during the next year and further to 1,000 during the next five years when projects are expected to be fully implemented. Thus we have observed, that with an investment of Rs. 3.60 crores and some marginal additional investment there is a self-generating growth in direct employment of about 3,500 persons. We understand that there is ample scope for the stimulation of ancillary development of about 20 units with employment potential of 100 each, i.e., 2,000 persons. Similarly, indirect employment of another 5,000 persons is expected so that the projected employment potential of the committed scheme will be about 10,000 during the next five years.

18.20. The potentialities of the Industrial Cooperative Society of the Kerala model have impressed us as being adequate to bring about self-generating growth in employment potential among the educated unemployed. While we do not like to give an extensive account of the future programme of the Society, we would like to underline some of

the serious difficulties faced by this as well as similar Societies in implementing their projects. We understand that although the Government has agreed to contribute three times the share capital raised from the members (on a 50:50 basis by the Centre and the State) very often, the State Government is unable to provide the necessary resources. In this respect, the Industrial Cooperative Society, Kerala argued that the Centre should bear direct responsibility and arrange to advance to the State Government the entire share contribution partly as grant and partly as long-term loan. This is deserving of consideration. There is also logic behind the argument that the shares of the Society could be converted into stocks, quoted on the stock exchange and supported by the Life Insurance Corporation (LIC) and Unit Trust of India so that the scope for investment in its equity capital could be augmented. Similarly, there is also great scope for mobilising deposits from the public provided these are guaranteed by the Government and it is ensured that the funds are invested in viable industrial schemes.

18.21. A few other suggestions offered by the Kerala Industrial Cooperative Society also merit attention. These are:—

- (a) The Central Government should take the responsibility of meeting full cost of technical assistance in terms of feasibility study, project reports, project implementation and promotional organisations.
- (b) As additional incentives, interest on deposits and dividends on investment either in preference or equity capital or deposits in these Societies should be exempted from income-tax and capital gain tax.

18.22. We recommend that the potentialities of starting engineering technicians (workshop) Industrial Cooperative Societies in other parts of India should be fully explored in so far as cooperation in the industrial field has not come up in India on desired lines and has well-nigh been given up as a hopeless venture for want of industrial consultancy services in general and the low level of technical consultancy utilised wherever it is available. Considering the fact that industrial cooperatives of the Kerala variety have also developed in West Bengal and resulted in important lines of production, we are persuaded to think that enough attention has not been paid to these possibilities either by the State Governments or by the entrepreneurs among the technically qualified young men. We assume that this will be gone into *in extenso* by the Working Group on Industries so that the idea of industrial cooperatives will be put into practice within the ambit of Industrial Planning including industrial complexes in the near future.

18.23. In regard to industrial estates and industrial areas, we have ascertained that employment generation is not merely confined to providing self-employment to the educated unemployed but also in relation to the development of infrastructural facilities by the States. The fuller utilisation of existing capacity of units in Industrial Estates is also likely to increase employment and accelerate economic activity in the surrounding areas. In this connection, we endorse the present policy that concentrated effort should be made at achieving consolidation in the industrial estates rather than envisaging their expansion. Therefore, we are in agreement that in the setting up of a new industrial estate as well as an industrial area the selection of areas linked to growth centres should

receive priority. We recommend that this should receive the attention of the Planning Commission under intensive rural development as well as from the viewpoint of spatial planning with relevance to the promotion of industrial complexes.

18.24. From the stand-point of employment generation we would further recommend that while formulating the programme in detail, it has also to be ensured that preference would be given to unemployed engineers and technicians of tested ability and initiative to set up industrial concerns in the industrial estates and areas by earmarking a stipulated proportion of the industrial sites for them. The need to eschew acceptance of proposals based on political pressures requires to be underlined here as this is apt to reduce the confidence in the viability of the scheme to a large extent and nullify it in the long run. We also recommend that the financial outlays for starting industrial areas by unemployed engineers should be periodically reviewed and that State Development Corporations may be assisted further through greater allotment of finance for providing hire purchase facilities of indigenous machinery to the young entrepreneurs. The setting up of Cooperative Industrial Estates on the model of Maharashtra require to be specially assisted and for this purpose the problems may be specially studied. We further recommend that the performance of State Development Corporations may be assessed separately at the end of the Fourth Plan to envisage the continuance of assistance during the Fifth Plan as well.

An overall view of Industrial Schemes for the Educated Unemployed

18.25. Taking an overall view of formulation of schemes/programmes/projects covering the six items under which financial assistance to entrepreneurs for setting up of industries has been contemplated by the Ministry of Industrial Development, it would appear to us that primarily the lack of focus has been in identifying the engineer-entrepreneurs adequately, assessing their abilities to start industries to the required extent, in laying down the scope and extent of financial assistance by the Industrial Development Corporations, promotion of cooperative efforts, lack of realisation of the limitations involved in the proposals for starting commercial estates, industrial estates and industrial areas. The formulation of schemes/programmes by any one Ministry on an *ad hoc* basis very often, excludes considerations based on the limitations of the existing institutions under its control in catering to the services which they are expected to do in normal terms of their functions.

18.26. We are led to think that the functional and structural limitations of institutions, not to speak of their financial capacities, to bear extra burdens such as those involved in employment generation, have generally, been overlooked. We feel that before any scheme is formulated, there should be an objective evaluation by the Ministry whether its institutional infrastructure including its physical input of able and enthusiastic officers and staff from the angle of their capacity to translate the objectives of the scheme at the implementation stage are adequate or otherwise. The expansion of employment and economic activity are implied in industrial expansion and, therefore, the additional employment of engineer-entrepreneurs has to be substantially based on an appreciation of the present levels of unemployment amongst them by the Ministry concerned and also the relative degrees of skills and initiative possessed by them on an individual basis and not merely on qualifications. In this respect, we feel that there has been no discriminating effort

on the part of the Ministry to assess the dimensions of the problem and that, by and large, it has concentrated attention on technical qualifications rather than on their specific aptitude for starting industries as such.

18.27. The Working Group on the Plan is of the view that providing financial assistance to engineer-entrepreneurs, exclusively based on considerations of their academic qualifications or on palpable recommendations is likely to err on the side of encouraging persons who do not possess the requisite aptitude or skill. We therefore, feel that the social background of the engineer-entrepreneurs has to be specifically enquired into before some financial assistance is extended to them. We are also of the view that engineer-entrepreneurs need not always come under the category of graduates or diploma holders but might as well be persons possessing the requisite skill and knowledge, not to speak, of course, of initiative, whose number could be large in this country, particularly if they happen to be the members of traditional commercial classes and communities who might not have attached any degree of importance to the acquisition of educational qualifications as such due to various reasons. We would, therefore, recommend that although financial assistance should be given, by and large, to engineer-entrepreneurs who are unemployed at present, there should be the possibility of drawing within the ambit of the schemes enterprising persons who do not possess educational attainments of the type contemplated for providing financial assistance.

Self-employment Schemes of the Indian Oil Corporation

18.28. In November, 1969 the Indian Oil Corporation had started a scheme under which future dealerships for all new retail outlets, dealerships for Kerosene/Light Diesel Oil and distributorships for INDANE gas (domestic and commercial use) were to be given only to unemployed graduates and diploma holders below 30 years of age and belonging to lower income groups. Weightage was to be given to demobilized Emergency Commissioned Officers, other ex-servicemen and members of the scheduled castes and scheduled tribes. A provision of Rs. 20 lakhs for assisting such persons was made for 1971-72 and Rs. 40 lakhs each for 1972-73 and 1973-74. This was a useful pilot venture although its progress was slow. In the meanwhile we understand that after the December, 1971 war, the Indian Oil Corporation temporarily superseded this scheme by another introduced in February, 1972. Under the new scheme all new dealerships for sale of petroleum products like Kerosene, Petrol, High Speed Diesel Oil and Lubricants through retail outlets, Light Diesel Oil and Cooking Gas (Indane) were to be offered only to the disabled soldiers and wives and dependents of the defence personnel killed or missing in war. Rs. 20 lakhs set apart for 1971-72 for the former scheme was utilised for providing interest free loans to war victims under the new scheme. We understand that during the first six months of the operation of the scheme, the Indian Oil Corporation had awarded 119 dealerships. Though the scheme is only for one year, we understand that it is likely to be extended till such time as the rehabilitation work is completed. We welcome these efforts of the Indian Oil Corporation and hope that as the most important public sector organisation in the field it would extend its scope of employment generation in the years to come.

Agro-based Industries

18.29. It has been recognised that agro-based industries covering products of plant and vegetable origin, products of animal and marine origin, products from natural mineral wealth and inputs required for agro and agricultural industries demand attention not only for general economic development but also for rationalising the use of a large group of items that have hitherto been brought into the ambit of small scale industries only sporadically. In any deliberate effort at employment generation in the country side, these industries will be found to have great employment potential as well as export prospects, subject to the improvement in the quality of their production. We understand that the office of the Development Commissioner, Small Scale Industries, Ministry of Industrial Development and Company Affairs have during the Fourth Plan devoted special attention to the possibilities of developing these industries on a country-wide basis, taking into consideration the agricultural resource organisation and prepared detailed schemes of this group of industries indicating, *inter alia*, the requirements of workers and administrative and supervisory personnel, as far as possible for each scheme as listed below :

1. Manufacture of 1,000 gallons of absolute alcohol from molasses per day.
2. Processing of banana figs.
3. Processing of Kunnan and Nendran varieties of raw bananas into powder.
4. Processing of banana pseudostem.
5. Pineapple fibre industry.
6. Manufacture of bakery products on small semi-mechanised unit.
7. Manufacture of cattle feed: Production basis 10,000 Kgs. per day (working days—300 per annum).
8. Manufacture of sweetened condensed whole milk from cow's milk.
9. Processing of desiccated coconut.
10. Processing of chicory powder.
11. Production of three tons of card board per day from bagasse.
12. Manufacture of corrugated paper board (50,000 sheets per day).
13. Manufacture of caffeine from tea waste.
14. Manufacture of dehydrated fruits, vegetables and soup powders.
15. Manufacture of expansion joint filler from cashewnut shell liquid and coconut pith.
16. Fruit and vegetable preservation (orange and tomato products).
17. Fruit preservation (general).
18. Ginger and ginger products.
19. Processing of grapes into popular products.
20. Manufacture of khandsari sugar by open pan process.

21. Crushing of oil seeds and refining of oil for edible purposes (deodorised and bleached edible oils).
22. Production of papain and pectin from raw papaya on an integrated process.
23. Manufacture of dehydrated potato chips.
24. Manufacture of poultry feed.
25. Rice bran oil manufacture.
26. Processing of ragi malt food.
27. Rope and ban making.
28. Manufacture of saw dust briquettes as domestic and industrial fuel.
29. Manufacture of straw boards.
30. Manufacture of surgical bandages.
31. Manufacture of saponin from soap nuts.
32. Manufacture of splints and veneers.
33. Manufacture of starch from tamarind seeds.
34. Manufacture of potato starch.
35. Manufacture of vermicelli.
36. Vegetable milk/curd from ground nuts.

18.30. We commend these schemes drawn up so far as they give details of their financial and labour input consideration on methodological lines. As these vary from scheme to scheme, we do not propose to give further details. However, details of production figures in the States indicate the scope of production of various items provided industries could be established to ensure their off take. That the State Governments would have to give top priority to their introduction in their areas requires no restatement here. We attach special importance to their development during the Fifth Plan period as a source of continuous employment generation, particularly as a step in the direction of absorbing agricultural labour during lay-off seasons and also in improving their per capita earnings and above all rationalising the resource use in an area and promoting capital formation. As industrial use of various products improves in quantum, we anticipate that the production needs will also go home to the agricultural community. Systematic planning of production of the required items catering to these industries would devolve on district planning authorities and eventually, of area development authorities. A certain measure of integration with crop planning of cereals of items of vegetable origin should be possible under horticulture. We recommend that these aspects should receive attention.

CHAPTER 7

INTER-DISCIPLINARY APPROACHES TO PROJECT SCHEME FORMULATION FOR EMPLOYMENT GENERATION

General Observations

19.0. The Group has recognised the cardinal fact that as in advanced countries, the economic development of India has necessarily to be backed up by inter-disciplinary research of a high order. The main objective would be to bring out the inter-relationship of various sectors of the economy on the one hand and the necessary linkages that exist between various disciplines and educational policies that have resulted in the unemployment of the educated youth on the other. The importance of inter-disciplinary research has already been recognised by the high-powered Social Science Research Committee of the Planning Commission under Dr. V. K. R. V. Rao, Member of the Planning Commission in 1968. Although a number of important recommendations were made by this Committee in pursuance of the development of inter-disciplinary research in the country, we have observed that there has been no occasion to focus inter-disciplinary research on either labour or employment problems facing the country. We recommend that the Ministry of Labour and Rehabilitation should at the first opportunity go into this question so that the many faceted problems of labour and employment could be highlighted for policy formulation in the future.

19.1. We are of the view that the solutions to the problems of unemployment, to the extent they are dependent on the formulation of projects and schemes, call for the united efforts of a large number of qualified technical personnel in different disciplines. The compartmentalisation of education under various disciplines followed by universities and other academic institutions have, by far and large, resulted in conferring on the educated technical graduates an unidimensional approach towards problems facing the country. The task of bringing about a better understanding of sister disciplines among these people as well as the fostering of cooperative efforts among them to solve the national problem has been recognised as a basically difficult problem of training. We propose to outline the experience of the Government of India in this matter in relation to some of the schemes that have been formulated. We also feel that the long-term problems in the implementation of the schemes would be able to throw up some evidence as to the manner in which inter-disciplinary cooperation has actually taken place in the field work. The findings of this assessment are likely in the long run to assist the Government in shaping educational policies and training programmes in the country.

Rural Engineering Surveys

19.2. The Ministry of Irrigation and Power have conceived and formulated an interesting scheme for rural engineering surveys with the specific objective of providing jobs to fresh engineering graduates, agricultural graduates, engineering officers, soil conservation and agricultural officers, statisticians, scientists, technicians and drawing staff, with the complement of ministerial and the allied staff and labour. The scheme

as such constitutes a multi-disciplinary approach to Rural Engineering Surveys. The objective of the Rural Engineering Surveys has been stated as the provision of basic amenities such as irrigation, electricity, roads, drinking water, soil conservation etc., for the economic uplift of the villages. The requirements of weaker sections of the communities, such as Harijans have also to be taken care of. With this objective in view the Rural Engineering Surveys have been conceived to undertake various programmes by collecting basic engineering and agricultural data, which would enable the preparation of specific schemes of development. It has been suggested that in the absence of such basic survey plans and data, it is difficult to accord correct priority to different projects and spend the limited funds most usefully.

19.3. We have observed that in the formulation of the scheme the differential levels of the development of the villages in the country have received the attention of the Ministry of Irrigation and Power. For example, it has been acknowledged that in some villages a road may be the primary need and in some others it may be the irrigation facilities. The formulation of vital schemes of development in keeping with the requirements of villages can be done only after proper engineering and agricultural surveys are conducted. In the context of employment generation it is expected that large numbers of engineers and agricultural graduates would be employed. We recommend that the overall objectives and their fulfilment in implementation should be reviewed so as to test the viability of the above approach enunciated by the Ministry of Irrigation and Power.

19.4. The operational part of this Rural Engineering Surveys has also been conceived on proper lines. The surveys are to be conducted by parties comprising engineers and agricultural graduates. It has been decided to set up 550 survey parties to cover the whole country. The districts to be chosen for the surveys will be those in which the scheme for rural works programme for chronically drought-affected areas is already in operation. Wherever this scheme is not in operation in any State, the Rural Engineering Surveys will be conducted in districts where crash scheme for rural employment is in operation. We commend this approach in so far as the operation of the Rural Engineering Surveys would specifically help the operation of other schemes and to that extent, the Ministries of Agriculture and Irrigation and Power would stand to benefit mutually by their findings in regard to inter-ministerial coordination. In addition, we feel that the common effort that would result thereby in the employment of engineering and agricultural graduates, would confer on them a definite stamp of field experience of the type that is required for constituting a category of social development officers with inter-disciplinary orientation during the Fifth Plan, and even beyond. We, therefore, recommend this approach in project formulation to other Ministries.

19.5. The coverage of the rural engineering scheme envisages the collection of data on agriculture, statistics, population and their income, compilation of information on existing facilities for irrigation, drinking water, communications and power supply and also the preparation of contour maps of one foot intervals for facilitating the preparation of fullfledged schemes. For this purpose the following items have been

identified for the surveys which would eventually facilitate the implementation of the programmes:

- (i) Rural works programme;
- (ii) Rural roads;
- (iii) Rural electrification;
- (iv) Land use planning;
- (v) Soil conservation of agricultural land;
- (vi) Construction of minor irrigation (surface works);
- (vii) Construction of irrigation channels including contour bunding and filling and gullies;
- (viii) Rural water supply.

19.6. As stated already, the Rural Engineering Surveys also embrace the problem of the lot of the Harijans and poorer sections of the villages and for this purpose it includes the following:—

- (i) Irrigation of lands;
- (ii) Electricity for street lighting and schools;
- (iii) Provision of drinking water;
- (iv) Provision of house-sites.

19.7. The intention in including all the above items is to produce survey maps which would surface the facilities for execution of various programmes and wherever necessary, for more advanced investigation. For a group of villages surveyed by a survey party within one year, a complement of rural development works will be identified. The scheme has also been evolved in the context of providing employment to the educated unemployed; i.e., engineers and agricultural graduates. In addition, the scheme will also provide employment to lower grade staff, like technicians, ministerial staff and unskilled labour. As a Centrally sponsored scheme the expenditure will be met by the Central Government by grants made to the various State Governments.

19.8. From the standpoint of Plan formulation, an important factor of the Rural Engineering Surveys is its selective approach. It has been decided that 550 survey parties will be engaged all over the country in surveying States. In the Statewise breakup of survey parties we have observed that weightage has been given with 50 parties each to Andhra Pradesh, Bihar, Gujarat, Maharashtra, Mysore, Rajasthan, Uttar Pradesh and West Bengal. Under the next category come Haryana, Madhya Pradesh, Orissa and Tamil Nadu with 25 survey parties each. The third category includes Assam, Himachal Pradesh, Jammu and Kashmir, Kerala and the Punjab with 10 survey parties each. In allotting the number of survey parties to each State, care has been taken to consider the size of the State as well as its problems. However, in the number of districts to be covered during the first year it has been observed that States under the first category with 50 parties will take up two districts for Rural Engineering Surveys while the rest will take up one district. Only 550 survey parties, will, therefore, cover 25 districts in 17 States. The number of survey parties per district will vary from 20 to 10. The composition

of the survey party will include two graduate engineers, one junior soil surveyor, one field assistant-cum-tracer and five surveys laskars.

19.9. An important consideration relating to the Rural Engineering Surveys that merits attention in our view, is the inter-disciplinary training to be imparted to the survey party. The approach chalked out for this purpose is also interesting. The engineering graduates are to be given training in the investment techniques and procedure in the following subjects:—

- (i) Medium and minor irrigation works;
- (ii) Village roads;
- (iii) Drinking water supply;
- (iv) Rural electrification;
- (v) Selection of house-sites for Harijans and backward sections;
- (vi) Soil conservation and land use.

19.10. It has been envisaged that in the first five subjects listed above, which are purely of an engineering nature, the training will be given at State headquarters or any other suitable place under the guidance of the concerned chief engineers in suitable number of batches. A detailed syllabus has been drawn up for the purpose that has, in our view, considerable long-term importance to development planning. After one week's theoretical orientation in each of the engineering subjects mentioned above, groups of five trainees will be asked to take the survey of a village nearby and prepare model plans under the guidance of respective departmental engineers. This will serve as practical training for engineering graduates. After the preparation and vetting of the village plans during a month and a half, theoretical and practical training will be imparted to the engineering graduates in about three months in all the engineering subjects. The overall control of the training programme will be under one senior chief engineer who will coordinate the programme.

19.11. As a step towards inter-disciplinary training the engineering graduates will be given training in the fields of soil conservation and land use for a period of about four weeks. It is proposed to be arranged in the seven soil conservation training centres at Nagpur, Bangalore, Jodhpur, Ooty, Bellary, Kota and Chandigarh. In the initial stages it is proposed to train only one engineer in each party at the soil training centres in the first 12 months. The training of the second engineer from each batch in soil surveying conservation work will be taken up in the second year by deputing them in batches. Similarly, all the programmes of training of agricultural graduates have also been methodically worked out. It is envisaged that training will be given at certain soil conservation training centres mentioned above. The training courses formulated for these trainees will cover training in soil survey, soil classification, soil conservation and land use and will run for a period of three to three and a half months for each batch. The training programme in these will be laid down by the Deputy Director-General, Indian Council of Agricultural Research (ICAR), who is in charge of soil conservation training centres.

19.12. It is also proposed to strengthen the staff at the training centres involved in imparting training. For analysing the soil samples that will be collected by the field survey parties, the staff of soil testing

laboratories at State level will also be augmented by additional staff. It has been specifically laid down that the overall supervision of the soil survey work in the five States with the ten soil survey parties, will rest with Soil Survey Officer. The Assistant Soil Survey Officer who will be the immediate incharge of the 10 field parties, will work under the guidance of the State Soil Survey Officer. Similarly, in the case of States having 25 parties or 50 parties, the Soil Correlator-cum-Interpreter will receive necessary technical guidance from the State Soil Survey Officer. Administratively, these officers will be attached to the State Soil Survey Organisation and where such a set up does not exist they will be attached to the appropriate units of the State Departments of Agriculture. It has also been laid down that the All India Soil and Land Use Survey Organisation of the Central Government will be associated with the scheme through its four regional centres located at Delhi, Nagpur, Bangalore and Calcutta. The soil Correlator in charge of these centres, assisted by his staff, will also be available to give technical training and support to the field work, carried out under this scheme in the areas falling within their respective regions. They will give this assistance through the State Soil Survey Officers holding immediate overall control of the work in progress in their respective States.

19.13. The coordination of the Rural Engineering Surveys has been put down as the responsibility of the Central Water and Power Commission in the Ministry of Irrigation and Power and by the Land Use Survey Organisation of the Indian Agricultural Research Institute (IARI). A committee of direction presided over by the Secretary, Ministry of Irrigation and Power with representatives of the Departments of Agriculture, IARI, Ministry of Finance and the Planning Commission, will keep a close watch on the progress of the scheme and advise on periodical appraisals in their evaluation. We would observe here that this is the first time that a Central Ministry has been involved in the coordination of a Centrally sponsored scheme with inter-disciplinary significance as the present one. We are of the view that with the progress of the scheme, evaluated on an yearly basis, it will provide overall guidance for the more efficient formulation of similar Centrally sponsored schemes in future.

19.14. The implementation at the State level, however, strikes us as not very effective. The agencies to implement the scheme at the State level have been left to the States for their consideration. It has been merely suggested that the various engineering departments of the State Governments or such departments/agencies as have been entrusted with the works of the rural development schemes may be given additional responsibilities with the implementation of the scheme. It has merely been suggested that the surveys are undertaken by the Irrigation Department after enlisting the assistance of other concerned departments and that it will also be helpful if the State Plan departments are effectively associated with the scheme. The Group during its tours to different States had made specific enquiries regarding the implementation part of the scheme. The training of the engineers and the agricultural graduates was scheduled to commence from December, 1971 and since the survey parties were to be in the field by April, 1972 only, we have been able to ascertain merely the arrangements proposed to be made for implementation. An overall assessment of the work of this scheme will, therefore, have to be based on at least a year's experience. The findings of this will be of assistance for the Fifth Plan.

19.15. From the viewpoint of the financial outlay for the Centrally sponsored scheme, funds have been provided to the States as grants covering 100 per cent of the outlay subject to certain limitations under various heads, such as explained for each survey party for a full year, camp equipage, scientific instruments party, supervisory set up including statistical staff, laboratory staff, non-recurring expenditure including two jeeps with trailers, office furniture etc. Similar ceiling have also been provided for the supervisory set up for the district level, statistical staff, non-recurring expenditure, laboratory staff etc.

19.16. The expenditure will be reimbursed to the State Government in the shape of grant-in-aid; of this 50 per cent will be released in advance in the beginning of the financial year and balance will be paid on the basis of actual expenditure for the first ten months and the estimated for the last two months. After the parties have been set up, the estimated expenditure keeping in view the ceilings indicated in this part of the scheme, will be furnished to the Government of India for the sanction of the first instalment of the grant; after the close of the financial year the total audited actual expenditure may be intimated to enable the Government of India to finalise the grant and make good the short payments/recover the over payments in subsequent releases.

19.17. We understand that Rs. 53 lakhs had been approved by the Planning Commission for the Rural Engineering Surveys during 1971-72 and that budget provision of Rs. 47.52 lakhs was made for payment of grants to the State Governments for implementing the scheme. The employment potential of the scheme in a full year is estimated at 5,631 persons comprising 1,100 engineering graduates, 555 agricultural graduates, 68 engineering officers, 93 soil-conservation and agricultural officers, 1,070 technicians and ministerial staff and 2,750 unskilled labourers, we further understand that only ten States *viz.*, Andhra Pradesh, Assam, Bihar, Haryana, Jammu and Kashmir, Madhya Pradesh, Mysore, Tamil Nadu, Uttar Pradesh and West Bengal asked for funds to meet the expenditure incurred during 1971-72 amounting to Rs. 12.89 lakhs. During 1971-72, only 36 survey parties have been trained as against the original target of 200 parties. We recommend that the circumstances leading to this lack of response on the part of States should be looked into. So far as the continuance of the scheme is concerned, we are happy to observe that for 1972-73 a sum of Rs. 285 lakhs has been provided for the expenditure to be incurred on the scheme. It is further understood that the Ministry of Irrigation and Power has already instructed the State Governments to intimate the requirement of funds during 1972-73 so that 50 per cent of the required amount could be released with the beginning of the financial year. We are persuaded to feel that in view of the attractiveness of the scheme to reduce unemployment among the educated, particularly technical personnel, the implementation of the scheme will gather momentum in all the States.

19.18. Viewed in terms of planning, extending back to the last 20 years' experience, resource mobilisation by the States has been the most serious handicap. The problem of mobilising physical as well as financial resources has been faced by various States at varying levels of efficiency and the overall comprehension of the complexity of the problems. With the excessive degree of importance attached to political life in the States, problems of infrastructural development are known to have been relegated to the background. At a time when the States have been drawn into the

Plan programmes and policies in a closer fashion than ever before in schemes/projects of employment generation, the impact of the Rural Engineering Surveys is bound to be considerable. Quite apart from the employment potential generated through the employment of survey parties the accumulated experience of these surveys is bound to throw up significant data that will assist the State Governments to launch themselves on State planning schemes *pari passu* with those embodied in the Central Government plans. With the reinforcement of interest in district planning by the Centre, there is bound to emerge a high level of consciousness about the requirements of planning at the State level. In this respect the experience gained by the Rural Engineering Surveys is apt to contribute to the data requirements by the State as well as by the Centre, which are defined at present by all concerned.

19.19. Taking into consideration, the foregoing probabilities, we recommend that during the Fifth Plan, State Planning Commissions should come into existence in all the 17 States, whereas they are at present confined to only three States, Kerala, Mysore and Tamil Nadu. We have noted that Maharashtra also has set up a State Planning Board lately. The strengthening of the Bureaux of Economic and Statistics in the States on which we have made recommendations in the earlier parts of the report, will acquire additional significance in the context of the implementation of the Rural Engineering Surveys. The physical plan programmes are also bound to be assisted in the process. The dimension of the problems of financial mobilisation by the States is also likely to assume higher level of importance as the findings of the Rural Engineering Surveys will convey home to the States themselves their relative degrees of weakness and strength in the matter of natural endowments.

Scheme for Setting up Planning Design Units for Water Supply Schemes

19.20. While we are on the subject of inter-disciplinary schemes for employment generation, we would like to mention the important scheme for creation of planning and design units for implementation of rural water supply schemes in the States, framed by the Ministry of Health and Family Planning. The interim report of the Committee on Unemployment has already referred to the problem of rural water supply in the States, in addition to employment generation. We endorse its recommendations in broad terms. Viewed from the angle of project formulation on the spatial axis, the Ministry of Health and Family Planning as identified the number of villages where drinking water is not available within a depth of 50 feet or a distance of one mile and also the number of villages where protected water supply is called for due to reasons of cholera endemicity and guineaworm-infestation. We have observed that in terms of the criteria adopted as above, the absence of drinking water within a depth of 50 feet or a distance of one mile is felt most by Bihar, West Bengal, Madhya Pradesh, Uttar Pradesh, Gujarat, Andhra Pradesh, Assam, Maharashtra, Rajasthan, Jammu and Kashmir, Punjab, Orissa, both in the magnitude of areas and the number of villages affected. Under the second criterion of the need of protected water supply, the number of villages affected is the largest in Bihar and Madhya Pradesh, followed by Assam, Mysore, Andhra Pradesh, Maharashtra, Kerala and Orissa.

19.21. Rural water supply schemes in the States have also been treated as Centrally sponsored schemes with 100 per cent grant-in-aid to

the States and Union Territories for meeting the expenditure on the planning and design units. The planning and design units have been divided into two categories; category (a) with the larger composition of staff than category (b) the tentative Statewise break-up of the proposed units, the employment to be generated and the number of schemes expected to be prepared shows that 22 engineers each will be employed under this scheme in Andhra Pradesh, Bihar, Maharashtra, Mysore, Orissa, and Tamil Nadu. These come under the category of (a). However, in regard to Madhya Pradesh, Rajasthan and Uttar Pradesh, since their problems are more complex, they will have 45 engineers employed in each State. Similarly, the number of schemes to be prepared per year by the States are the largest in respect of Uttar Pradesh (700), Rajasthan (600), Madhya Pradesh (600), Orissa (400), Tamil Nadu (400), Maharashtra (400), Gujarat (400) and Andhra Pradesh (400). Himachal Pradesh, Kerala, the Punjab and West Bengal propose to prepare 200 schemes each per year. In regard to Assam there will be 150 schemes prepared per year. As regards Jammu and Kashmir, Meghalaya, Nagaland, Manipur, Tripura and NEFA 100 schemes are proposed to be prepared per year. Overall, therefore, 400 schemes to cover 6,150 villages per year are scheduled to be prepared under the scheme.

19.22. The Ministry of Health and Family Planning expects that before the commencement of the Fifth Plan there will be adequate number of schemes to cover about 14,000 villages in different States, out of a total 97,107 where drinking water is not available within a depth of 50 feet or a distance of one mile, at present. The schemes will also cover 33,659 villages where protected water supply has to be assured. It may be recalled in this connection that there are 2,15,000 villages in the country which are situated in difficult and scarcity areas. During the Fourth Plan period a total of Rs. 125 crores has been allocated for implementation of rural water supply projects in all the States and Union Territories. According to the figures furnished by the State Governments only 10,000 villages have been proposed to be provided with piped water supply systems.

19.23. In view of the chronic deficiency of funds for social welfare schemes of this nature, faced by the States, we recommend that a much larger outlay should be provided under the Fifth Plan under the rural water supply sector so that it would be possible to provide each village in the above stated categories with safe drinking water supply. As the scheme has hardly taken off the ground, we recommend that the State Governments through their Planning Boards/Commissions and the respective departments should focus greater interest on the human problem created by the lack of drinking water and immediately take action with regard to the identification of villages, conducting surveys and investigation work and preparation of detailed plans and estimates. Although the Ministry of Health and Family Planning are keen on the existing special investigation divisions in the States to be utilised for investigation work and collection of data, it may be necessary for the Planning Commission to assist them in the task further. The conception of the present scheme has been largely to assist the State Governments who have no design and planning units for rural water supply. Although the Chief Engineers' Conference had requested the State Chief Engineers to set up design and planning cells out of Plan funds it is understood that this has not been done so far.

19.24. During our tours, we have made an attempt to go into the circumstances and reasons leading to this state of neglect. We would, however, like to emphasise that, although the present scheme has been formulated by the Ministry of Health and Family Planning and requires to be strengthened with greater financial outlay and organisation during the Fifth Plan period, the basic responsibility in these matters relating to the supply of drinking water to the villages should lie with the State Governments themselves. We are also aware of the need for a country-wide campaign to be initiated to make the villages, handicapped in this respect, conscious of their own rights and responsibilities. We would further observe that the expenditure incurred in family planning programmes and schemes so far, is far out of proportion to what has been incurred on the provision of essential services of this nature which should have been attended to from the very beginning of planning.



CHAPTER 8

EMPLOYMENT GENERATION IN HEALTH AND FAMILY PLANNING PROGRAMMES

20.0. Employment generation under health and family planning comes under the category of providing jobs to qualified medical graduates, nurses, hospital attendants, and also the tertiary services that are attached to hospitals. While on the one hand the establishment of hospitals and medical centres has been straining to keep pace with the immediate requirement of the country, there is on the other, a great leeway to be made in the matter of increasing the number of hospital beds, the admission capacity of medical colleges, and, above all, increasing the doctor-population ratio for the country's emerging needs. Special schemes for the eradication of malaria and small pox, the control of tuberculosis, leprosy and filaria have also been in operation and employing a large number of hands. The Ministry of Health and Family Planning is not directly involved in the formulation of employment generating schemes. However, the need for hospitals and medical care has been increasing year after year and employment opportunities are widening in scope. Appendix XXXII gives the hospital and medical care estimates and projections up to 1976 as included in the Report of the Health Survey and Planning Committee. The dimensions of health planning requirements when estimated on the basis of 1971 Census are likely to throw into relief the employment opportunities for medical graduates and others on a long term basis.

20.1. The Group held discussions with various Government officials concerned with the formulation and the implementation of health programmes and schemes. Viewed from the standpoint of the goal set by the Prime Minister, of social justice and self-reliance, the field of health planning in the context of an employment strategy was subjected to discussion with the officials concerned. The diversification of health services carries with it the proliferation of occupations and is also capable of vastly increasing the demand for tertiary services. From the social justice viewpoint, the extension of health services and its levelling up to the uniform standard to meet the requirements of the entire population and to make it increasingly accessible, have undeniable importance. Although this is a matter that is strictly dependent on capital investment on medical establishments, our findings are that there is ample scope for employment in this field with multiplier effects. We have, therefore, covered indigenous medical practitioners also who have all along catered to the needs of large groups of communities in the country. We are of the view that from the employment angle the old and new systems of medicine with their practitioners have to co-exist although the benefits of modern medicine and hospital facilities should continue to spread under the auspices of State and private initiative.

20.2. The Group has taken note of the norms in regard to employment generation followed by the Department of Health, viz., one hospital for 3,000 population. The imbalances in the number of doctors as between the rural and urban areas were discussed by us and it was largely

due to the lack of mobility of qualified doctors. This situation appears to have resulted from: (a) availability of surplus qualified doctors in certain States because of lack of job opportunities and lack of schemes for creation of jobs for them; (b) surplus doctors in certain States caused by their unwillingness to migrate to other States to take up jobs; (c) reluctance on the part of the authorities of certain States, e.g., Bihar, Himachal Pradesh and Uttar Pradesh to employ doctors and nurses hailing from other States. We strongly recommend that a study be made by the Ministry of Health and Family Planning of the lack of mobility of doctors and nurses because of these circumstances and that efforts be made to break this barrier and open employment opportunities in all States.

20.3. As regards qualified nurses the Working Group took note of the fact that there were surplus nurses who remained to be absorbed for reasons that were applicable to the doctors. As the requirement of the qualified nurses has not been met and the profession itself is fast losing its attractions to young women, we recommend that adequate incentives be provided for training nurses and their posting to such States which have chronic deficiency of them. In this respect we also recommend that the factors impeding the progress of institutions imparting training to nurses as well as their mobility to different States in the interest of health development as well as employment, may be gone into separately and remedial measures devised. We further recommend that all such training institutions of nurses that were closed down due to paucity of funds and active encouragement by the States may be reopened so as to cope up with the need of health services during the Fifth Plan period. Unless this step is taken immediately with central assistance, we anticipate that acute shortages of trained nurses is likely to be felt particularly in view of the time taken to train and qualify a nurse according to recognised procedures of the institutions concerned.

20.4. Considering the fact that rural health facilities are greatly deficient at present and are virtually dependent on the establishment of primary health centres as well as sub-centres, the Group took note of the inducements given at present to doctors with an urban social background to work in the rural areas. It is our view that there is need on the part of the Government to step up the incentives alongside the extension of the present limited coverage of the country by primary health centres as well as sub-centres so that improvement of medical facilities could automatically give rise to an increase in employment. In this respect, we recommend that short of legal compulsion, special effort should be made to sustain the interest of the young doctors and nurses posted to primary health centres and sub-centres in the countryside, by drawing them into the ambit of other social welfare programmes in that area and also by giving them an important place in the development programmes, wherever these are applicable. In this connection wherever growth centres are being developed, we recommend that the doctors and nurses attached to the primary health centres and sub-centres should be allowed greater scope of activities so as to enable them to play an important role in the developmental schemes. We recommend their increasing involvement and participation in nutrition programmes, rural housing and slum improvement to the extent they cover the weaker sections. We believe that there is scope of identifying young medical men with qualities of initiative and leadership in this process and grooming them for higher responsibilities in national health development programmes.

20.5. Considering the overall deficiency in the number of qualified doctors to meet the health requirements of the rural population, we recommend that the proposals of employing licenciates and intermediate category or auxiliary workers in rural areas should be revived wherever possible. In this connection, we also recommend that the earlier schemes included in the Third Plan and implemented by only Andhra Pradesh and Rajasthan for some time, might be revived, so that there is greater supply of the auxiliary workers in the medical profession, particularly in the primary health centres and sub-centres. We further recommend that in view of the general desire of the auxiliary workers of the medical profession to qualify themselves as fullfledged doctors, a selective approach should be adopted so that those showing the aptitude for the profession should be given encouragement in terms of admission to medical colleges and other institutions imparting professional skill.

20.6. In view of the fact that investment in health programmes is likely to be handicapped for want of finance, we have taken note of the possibilities of reviving indigenous medicine involving lesser outlays and recommend that homoeopaths and Ayurvedic Vaidas should be given special encouragement on a larger scale than hitherto under the Central Government Health Scheme (CGHS). We further recommend that in the context of providing more employment to these categories of medical practitioners, better financial assistance should be provided to enable them to retain their well recognised popularity with the people on traditional lines. It is our view that these practitioners of indigenous medicine should also be drawn into the primary health centres and sub-centres by providing them adequate incentive to displace themselves from localities of their traditional practice, wherever felt necessary in the interests of public health.

20.7. The Group took note of the fact that Ayurvedic Vaidas engaged in the profession were handicapped by lack of knowledge about the active principles of certain indigenous herbs. We recommend, therefore, that the standardisation of drugs may be expedited alongside the extension of the programmes for the cultivation of herbal plants, the reservation of forest area for those purposes and also the isolation of their active ingredients for their eventual use by Ayurvedic Vaidas.

20.8. It has been brought to our notice that although the unemployment among the dentists was not considerable at present, the need for a large number of dentists to cope up with the dental care of the rural population persists to a high degree. We are not aware of any special assessment of this problem and feel that prior to all steps in that direction, a comprehensive multi-disciplinary survey should be undertaken by the Ministry of Health and Family Planning in the countryside with emphasis on the human ecology in relation to dental health. We recommend also that the present urban concentration of dentists should be drastically changed by creating a class of auxiliary workers to the dental profession which can be trained for service in the rural parts. In addition, we recommend greater financial outlay for each primary health centre and sub-centre so that the normal facilities for dental treatment could be provided to the rural people under a qualified dentist.

20.9. The Group took note of the present position and the employment of family planning workers against their anticipated needs. As against the present requirement of 119,300 workers covering various

categories including doctors, compounders, etc., the requirement, on the basis of the 1971 Census, has been projected at 175,900 workers. In terms of the requirement of one family planning block for 40,000 of population the requirements have been projected at 233,600 workers. Viewed from the Plan standpoint the importance of family planning in relation to employment cannot be overemphasised. We are, therefore, of the view that there should be no relaxation in the efforts to introduce family planning in all the blocks so that its impact would be felt on employment generation on an all-India basis in the perspective Plan. This apart, we recommend larger financial outlays on family planning so that in terms of the total requirements projected on the basis of the 1971 Census, there is adequate scope for employment through the purposive extension of family planning services. We recommend that apart from the institutional arrangements made for family planning that involve employment of medical personnel, the family planning programmes should be dovetailed with social welfare programmes in all backward areas, particularly among the backward classes. We are also of the view that the training programmes for child and maternal care should be specially extended to cover the services of literate categories of people from the backward classes so that they are increasingly drawn into the national programmes drawn up for the purpose. We recommend that simultaneous attention should be paid to the importance of family planning as an important operational instrument by which, employment problems based on the overall demographic situation will not present themselves before the Government and public with the same degree of acuteness or magnitude in the long run, as they are being faced now.

20.10. From an overall assessment of the employment potential of the present health and family planning schemes, we have concluded that the implementation of these programmes have not followed any rigid yardstick in terms of financial outlay to meet the immediate requirements of project implementation. We recommend that while, on the one hand, such an approach might be in conformity with the health planning approaches on social cost benefit, there should be, on the other, a judicious and concomitant consideration of larger employment generation resulting from a relaxation of such norms so that a greater measure of benefit could be extended to the people, not merely in health and medical facilities but also in employment. The employment in the tertiary sector of hospital and primary health and sub-centres has, therefore, to be consciously increased from this angle. We further recommend that the overall possibility of bringing about greater employment within the ambit of health and medical services has to be examined and that this should receive special consideration by the States so as to draw a larger number of auxiliary workers to the schemes catering to backward communities than what has been possible hitherto.

CHAPTER 9

EMPLOYMENT GENERATION IN HOUSING

21.0. We have observed that the paper "Approach to the Fifth Five Year Plan" has not included 'Housing' in the ten employment intensive heads of development for which an outlay of about Rs. 1,075 crores has been proposed for 1973-74. However, house building, viewed as a lightly capitalised industry where the cost of labour in construction accounts for about 1/3rd to 1/4th of the total building cost, could be considered as one of the most suitable development activity generating onsite employment. An additional labour content of about the same quantum is also involved in off-site employment for production of building materials. The levels of housing condition and the housing activity are yardsticks of social welfare and social development. Housing is also considered incontestably as a prerequisite for social stability, education, health and labour productivity. It is recognised that the contribution of housing to the welfare of the society is considerable and if welfare of the people rather than the rate of growth of Gross National Product (GNP) is the guiding consideration in the Fifth Plan, housing construction would have to be given a role of priority in national economic development.

21.1. The Report of the Working Group on Housing set up for the formulation of the Fourth Plan (1969—74) estimated* the housing shortage in April, 1969 at 11.9 million dwelling units in urban areas and 71.8 million dwelling units in rural areas. The estimate of the resources required for removing this backlog was Rs. 33,000 crores at the rate of Rs. 10,000 per urban house and Rs. 3,000 per rural house. In estimating the housing shortage this Working Group had set a goal of a good pucca house for each family. On the basis of this goal, as the major part of the existing housing stock, could not, strictly speaking, fall in the category of pucca houses, the estimated backlog was exaggerated and the estimated requirements of the resources to remove the shortage were also very high. There being no prospects of such large resources of the order of Rs. 33,000 crores being available in the foreseeable future, if one has to make more modest assessment of the housing requirements both qualitatively and quantitatively, the minimum requirements in 1974 (i.e., the beginning of the Fifth Plan) would be of the order of 6.7 million housing units in urban areas and 18.1 million units in rural areas in order to remove the backlog of housing shortage and to replace the absolutely kutcha hut like units. (This estimate of housing backlog is based on the projected population of 1974 and the housing stock situation of 1961 as the 1971 Census data on housing are not yet available and considering semi-pucca units as acceptable housing for the time being we estimate that for removing this backlog with housing of a very modest type and size, the resources required would be of the order of Rs. 9,000 crores).

21.2. Besides the backlog of housing units which would be there at the beginning of the Fifth Plan as mentioned earlier it will be necessary

*Published by the Ministry of Works, Housing and Supply (Department of Works and Housing), September, 1968. This is based on a projection of 1961 housing stock of pucca houses to April, 1969 as well as the total number of households estimated on that date based on the census data.

to provide housing for the growth of population as well as for the depreciation of the existing housing stock. It is estimated that in the urban areas this requirement would be on an annual average of about 1.2 million housing unit adding up to 6.0 million units during the whole of the Fifth Plan period. In case of the rural areas the magnitude of the housing requirements of this kind may be roughly about 3.12 million units every year or 15.60 million units during the whole of the Fifth Plan period. The resources required for this programme would be around Rs. 1,600 crores per year of Rs. 8,000 crores for the whole Fifth Plan period. We would once again like to add that these estimates of required investments in housing are based on very modest assumptions in view of the enormity of the problem and the acute shortage of available resources, and will only help to indicate the need for mobilising much more resources and to utilise them very frugally.

21.3. In spite of the enormous magnitude of the need for housing, the house building activity is proceeding at a very slow pace. According to the estimates made at the time of the 1961 Census, the number of houses (pucca and semi-pucca) being built in the urban areas was 4.5 per thousand population per year whereas in the rural areas, the house (pucca, semi-pucca and serviceable kutch) building activity was estimated to be 3.2 per thousand population per year. Against the present rate of activity, the desired rate of activity which is necessary to be achieved according to the estimates made by the U.N. studies is 10 houses per thousand population if the housing situation is to improve in about 25 years. This brings out as to how meagre our housing activity is as compared with what it really ought to be.

21.4. The following table brings out clearly that in successive Five Year Plans the investment in house building activity as a proportion of total investment has been steadily going down.

TABLE II.9:—*Investment in Residential Housing in Public and Private Sectors.*

Period	Investment in dwellings (Rs. in crores)		Investment in dwelling as per cent of the total investment	
	Public	Private	Public	Private
First Plan . . .	250	900	16	50
Second Plan . . .	300	1,000	8	32
Third Plan. . . .	425	1,125	7	26
Fourth Plan . . .	700	2,100	5	24

Source : National Buildings Organisation, Ministry of Works and Housing.

21.5. It is also to be noted that even the meagre allocations made for housing in the Plans have not been fully utilised. The figures given in the following statement will clearly bring out this fact.

TABLE II.10:—*Social Housing Schemes—Outlay and Expenditure.*

Period	Allocation of funds	Expenditure (estimated)	Percentage Utilization
(Rupees in crores)			
First Plan . . .	38.50	24.56	63.8
Second Plan . . .	103.35	87.10	84.3
Third Plan . . .	133.30	147.44	80.4
Three Annual Plans 1966-69		69.54	

Source : Planning Commission.

21.6. According to the Ministry of Works and Housing, the utilisation of funds under housing schemes for the first three years of the Fourth Plan period has been only Rs. 91.4 crores against the total Plan provision of Rs. 172.2 crores.

21.7. In order to ensure that the Plan allocations under housing are fully utilised and not diverted to other sectors, it is our considered view that 'housing' should be again transferred to the Central sector schemes and funds therefore be earmarked.

21.8. Employment-wise also the employment generation through social housing schemes of the Government has been on the decline after the Third Plan mainly because while the increase in annual expenditure on these schemes has not been much, the rise in construction costs has been very steep.

TABLE II.11:—**Employment per Year in Social Housing Schemes.*

Period	Average expenditure on the schemes per year (Rs. in crores)	Approximate annual employment (in '000)	
		Man-days	Equivalent number of fully employed workers
First Plan	4.91	5,040	20
Second Plan	17.42	15,090	60
Third Plan	29.46	22,830	91
Three Annual Plans	23.18	13,540	54
1969-70	23.23	12,250**	49*

Source : National Buildings Organisation, Ministry of Works and Housing.

*This table indicates only the size of "on-site" employment generated. It is estimated that "off-site" or indirect employment of almost the same size would also be generated in building materials production industries.

**As rural-urban break-up of expenditure is not available, the urban norm of employment has been used. Most of the Social Housing Schemes are located in the urban areas.

21.9. The effect that the rising costs of construction have on the employment potential of house construction is illustrated by the figures given in the following table.

TABLE II.12:—*Employment Potential on-site of Rupees one Crore Investment in Housing Construction.*

Year	Buildings cost Index in Delhi (1950-100)	Employment norm (man-days) for Rs. one crore investment in urban areas (in '000)
1954	107.2	1,027
1958	129.9	847
1963	144.5	762
1968	192.1	573
1971	251.6	437

Source : National Buildings Organisation, Ministry of Works and Housing

NOTE :—It is expected that in the rural areas because of lower wage rates and simple structures using locally available materials, the employment potential would be about 1.5 times the employment potential in the urban areas.

21.10. It will be seen that whereas in 1954, the employment potential for an investment of Rs. one crore in urban housing was of 10.27 lakh man-days, the potential in 1971 had come down to 4.37 lakh man-days. This shows how important it is to keep down the building cost which apart from helping generate more housing activity will also help employ more persons for the same investment.

21.11. The major strands of housing policy of the Government so far have comprised of the provision of subsidised housing on a very limited scale for the economically weaker sections of the community and the loans for low and middle income groups and provision of housing to a limited extent to government employees and the employees in the public sector undertakings. In addition to these schemes, the Government has recently undertaken two special schemes. In the rural areas, developed house sites are being provided to the landless agricultural labour households under one of these schemes, and the other is for environmental improvements in slum areas in eleven major cities. Viewed in the context of the huge backlog in housing, we are of the opinion that the present Government programme of housing is only a marginal effort and will not make any dent on the housing problem.

21.12. Appendix XXXIII gives the number of housing units constructed under the various social housing schemes up to December, 1971. Viewed against the size of the problem, it will be seen that the effort under the social housing schemes does not even touch the fringe of the problem.

21.13. It will be clear that it is essential to considerably increase the tempo of house building activity in the country if the essential social need of a shelter for everyone is to be fulfilled. Apart from this, the larger housing activity will also give employment to greater number of

people. We have already indicated earlier that a minimum investment of Rs. 1,600 crores per annum would have to be made in the Fifth Plan period, if future deterioration in the housing situation is to be prevented by raising a sufficient number of housing units adequate to meet the twin problems of the demand of the growth in house-holds as well as to take care of the depreciation of the existing stock on very modest assumptions. It is very important that the mobilisation of the investment of this order apart from not allowing the housing situation to further deteriorate will ensure generation of employment of nearly 830 million man-days at site of work and nearly equal further indirect employment for production of materials. We have also indicated that a total investment of Rs. 9,000 crores would be necessary even in the first phase of removing the existing shortage in housing and the replacement of the pure kutch house with slightly better ones. If the target for achieving this first phase is fixed at 15 years, a conservative estimate of annual investment would be Rs. 600 crores. And in this process, further employment for approximately 290 million man-days would be generated at site of work and about the same number employed for the production of building materials needed for this programme.

21.14. Apart from the totally inadequate effort under the government sector no special steps appear to have been taken for mobilising resources from the private sector towards housing. As the resources from the public sector will always be limited, it is essential to initiate such steps as would result in mobilisation of much larger private resources towards housing. The main bottlenecks in the way of house building activity are non-availability of finance on easy terms, non-availability of developed land and building materials. We are of the view that the efforts made so far have not achieved any appreciable success in removing these bottlenecks in the way of private house building activity. If the limited government resources available are deployed more for making these three major inputs available, it would greatly help to generate more house building activity and consequent generation of direct and indirect employment. Therefore, in the following paragraphs we propose to discuss briefly the various important steps necessary for generating much larger housing activity to achieve the twin important objective of fulfilling the basic social need for a shelter and of giving larger employment in the process of construction. Though what follows is mainly a resume of important measures already under various stages of consideration, we would only urge early crystallisation of all these concepts and expeditious implementation of the contemplated measures.

21.15. The enormity of the size of the problem of housing finance is evident from the fact that nearly Rs. 17,000 crores will be required in the Fifth Plan period for clearing the backlog of housing and to meet the increased requirement of housing due to growth of population and depreciation of the existing stock. We have also observed that over the four Five Year Plans, the relative share of public and private investment in housing as compared with the total investment has tended to decrease. Therefore, obviously, the first task is to accord housing a higher priority and allocate more finances for housing in the Plan strategy. As public sector alone cannot raise all the needed resources, concerted efforts would have to be made to mobilise private resources for investment in housing. These could be partly achieved through well thought out incentive schemes such as tax relief on new construction, progressive rates of taxation of house property and adequate flexibility in Rent Laws to provide

for rise in construction and maintenance costs etc. There is also an absence of specialised institutional agencies for housing finance. This is not to underrate the important contribution which the Life Insurance Corporation of India (LIC) has made to the housing sector, but to suggest further increase in the investment which the LIC could make in this sector. It is also felt that the procedural part of obtaining loans from the LIC for investment in housing is at times very cumbersome and time consuming. These, therefore, need to be simplified. Besides, if there is a suitable institutional framework, the unorganised sector of the money market could also be drawn in to provide resources for housing investment.

21.16. The recently created Housing and Urban Development Corporation (HUDCO) is expected to play a conspicuous role in mobilising resources for housing. The Corporation, however, is at present only advancing loans for projects which are preferably quicker in yielding the returns and consequently the period of repayment is shorter and rates of interest high. In the case of housing, however, the greater need is for availability of housing finance at a low rate of interest and a sufficiently longer period of amortization.

21.17. Another important feature which characterises housing investment is its ill-liquidity, if well organised secondary housing mortgage facilities do not exist. Therefore, if the investment in housing has to be stepped up and the existing banking and financing institutions are to be drawn into the field of housing in a significant way, it is necessary that housing mortgage facilities should be developed. Similarly, the absence of mortgage loan insurance system as prevalent in the USA, the continental countries, Japan, Australia and New Zealand inhibits investment in housing. We are of the view that such institutions can induce greater confidence in the financial institutions and investors to invest in housing.

21.18. The encouragement of private co-operatives for mobilising private savings for housing is also an important step. Therefore, this sector has to be properly nurtured by provision of suitable incentives in the form of land at suitable prices and supply of building materials on priority basis. We recommend that the problem of administrative and local bottlenecks which might have stood in the way of development of housing cooperatives should be looked into.

21.19. Presently the urban co-operative banks are not playing any significant role in advancing loans for house construction. We feel that these banks should perform an important role in this regard.

21.20. In the case of rural areas, the Committee on Unemployment in its Interim Report had recommended that if a rural housing finance corporation were created, the task of providing financial assistance to co-operative societies, panchayat raj institutions, individuals and private parties would be greatly facilitated. We are of the view that this recommendation deserves to be pursued and implemented.

21.21. The Banking Commission, 1972 in its report has made some very useful recommendations regarding housing finance. It may be summed up briefly as follows:—

“Regarding housing finance, however, noting that the operations of the existing financial institutions giving housing loans are grossly

inadequate, the Commission has recommended the creation of a two-tier organisation for providing housing finance with an apex institution at the national level and local housing finance institutions at the district or regional level. The institution at the base should be sponsored by the local community with the active encouragement of the apex institution. The Housing and Urban Development Corporation may be vested with the functions of the central institution if it sheds its existing non-financial activity otherwise, the central agency should be sponsored by the Reserve Bank. Co-operative housing societies should be strengthened. An Apex Co-operative housing finance society should be set up in each State to refinance affiliated primary societies. Builders may be given short and medium term credit by commercial banks to enable them to undertake mass housing construction programmes".* We endorse these recommendations which should be given immediate consideration for implementation.

21.22. As a result of high degree of urbanisation during the last two decades urban land values are known to have risen steeply particularly in the metropolitan and major cities. In order to overcome this factor of high land prices, there was a consensus during the recent Housing Ministers' Conference that all urban and urbanisable land be socialised so that the benefits of appreciation in land values resulting from urbanisation should go to the community and not to the individual. A series of other measures, such as, conversion of freehold land into leasehold property within a span of 20 years or so, restriction on future plot sizes, simplification of land acquisition proceedings etc., are also reported to be under the Government's study at present. Proposals for taxing vacant urban lands so as to discourage speculative rise in land values also need serious consideration. All these steps are required to be implemented expeditiously so that all urban and urbanisable lands are available for housing at a reasonable price.

21.23. It is well-known that even the present meagre rate of house building activity is impeded very much due to inadequate supply of building materials. If the house building activity is to grow, steps would have to be taken to ensure sufficient supplies of essential building materials like cement, steel, bricks, tiles, timber etc. It is also well-known that the acute supply position of these materials results in steep increase in the prices. The figures in Table II.12 show clearly the adverse effect on employment potential that rise in building materials prices have. Therefore, it is important that arrangements for production of these materials are enhanced, if an impetus is to be given to house building activities. The production of materials like bricks, tiles, lime, surkhi, local stone slabs, timber etc., being highly labour intensive (in some cases nearly half the price of the finished material being labour component) more production of these materials apart from helping construction of more housing, would also generate considerable labour employment. Appendix XXXIV shows an estimate made by the National Buildings Organisation (NBO) for the requirements of construction materials in the Fifth Plan period as compared with the present supply position. These requirements are worked out only on the basis of the existing level of building activity and the expected normal growth therein in the Fifth Plan period. But if still greater impetus is to be given to house building activity, still larger quantities of materials would be

*Report of the Banking Commission 1972, pages 407-413 paras 16.42-16.58.

required. Apart from the inadequate production of these building materials, another major factor which results in insufficient supply is the inadequacy of the railway transport to cope with the requirements of movements of materials like cement, steel and coal required for bricks from the places of their production to the sites where they are to be consumed. We strongly recommend that special steps to gear up the requirements of wagons and their movements should be taken by the railway authorities.

21.24. Steps to increase the production of cement and steel will have to be taken up by the Government. For the important item of bricks shortage usually arises due to inadequate supply of coal for burning bricks, which is mainly due to the inadequacy of the railway transport. We, therefore, recommend that movement of coal for brick burning should be given an adequately high priority by the railways.

21.25. The production of materials like cement and steel is highly capital intensive whereas the production processes of other materials like bricks, lime, surkhi, timber, roofing tiles etc., are more labour intensive. It is, therefore, necessary to take all possible steps to increase production and use of these simpler labour intensive materials. The shortage of coal from which the brick industry is suffering, needs to be overcome and other interests of the brick industry like availability of suitable land for brick kilns are also to be taken care of so as to encourage this industry. Financial and technical assistance should also be made available to the brick industry to enable it to produce greater quantity and better quality of bricks. Similar encouragement for roofing tiles industry is also necessary. Production of more quantity and better quality of bricks and roofing tiles would reduce the use of other costlier materials like cement and steel and also result in buildings which are more labour intensive. Similarly, it is essential that industries manufacturing lime and surkhi are also encouraged. With better scientific methods of manufacturing good quality lime and surkhi now available, it should now be possible to produce these materials of a standard quality. Small scale industries for putting up lime and surkhi plants should be encouraged, giving them all possible financial help and the much needed technical know-how. So far as timber is concerned, due to the use of timber being confined only to the few popular species of timber, the prices of timber tend to shoot up with the result that gradually this material is being replaced by more cement and steel. If this tendency is to be prevented, it is necessary for the Forest Departments to take special steps to introduce the use of secondary species of timber (which have been found suitable through research done at the Forest Research Institute, Dehra Dun) by making them available in larger quantities and also providing the necessary seasoning and treatment plants for them. The production of timber being more labour intensive, the greater availability of these species of timber will result in more use of timber which is more labour intensive than the substitute materials like cement and steel. More production and use of all such local materials like bricks, lime, surkhi, stone etc., will also reduce the strain on the railways imposed by transportation of materials like cement and steel. In rural housing also the growing tendency for use of these sophisticated materials like cement and steel can be curbed by improving the technology of use of local materials like mud, bamboos, bricks, lime, surkhi etc.

21.26. The research organisations like the Central Building Research Institute, the National Buildings Organisation and its Rural Housing Wings are doing useful work in improving the buildings technology both in the rural and the urban areas and by adopting more appropriate technology. This research and development activity for improving of technology and transfer of the same widely into the rural areas requires to be increased manifold. For this, it is necessary to augment these organisations considerably.

21.27. There is no gainsaying the fact that presently the working and living conditions of building labour are far from satisfactory. The major problems which the building workers face are sub-human slum dwellings and irregular employment. They are not always ensured even the minimum facilities of health and safety. The existing machinery for enforcement of labour welfare measures is, to our knowledge, very inadequate and weak. The building trade unions also being relatively of recent origin, are weak economically, organisationally and financially. If the building labour is to make a more useful contribution, it is desirable that their lot is improved and they are provided satisfactory working and living conditions. It is true that because of the certain distinctive characteristics of the building industry such as lack of mass production, local market diversification of functions, temporary duration of work, geographical mobility of the labour force, high rate of labour turnover on individual site, there are limitations in providing continuity of employment to workers all the year around. However, it is now possible to adopt improved methods of construction such as partial pre-fabrication of small size elements to ensure them some modicum of more regular employment. The continuity of employment on site has also an important relationship with the production of such building materials as bricks. Many a time due to the non-availability of bricks building work is held up and consequently the labour suffers. This is partly due to the present method of brick production where the production process has to be temporarily suspended during the monsoon period. If improved methods were adopted for the burning of bricks all the year round, better continuity of employment could be ensured not only to the building labour on site but also to the labour employed in the brick manufacturing industry. The various problems of building labour deserve to be studied very carefully and building industry organised in such a manner so as to give a better deal to the building labour. The existing scheme of artisan training being implemented by the ITI and the apprenticeship schemes in operation are getting poor response and have failed to meet the qualitative and quantitative requirements of artisans required in the construction industry. The need for proper training for the artisans which would raise their productivity hardly needs any emphasis. Therefore, we recommend that the whole programme of training as well as the apprenticeship scheme should receive *de novo* consideration by the Government.

21.28. In their "Interim Report on House-Sites for Landless Agricultural Labourers", the National Commission on Agriculture (NCA) have made a number of recommendations (Annexure II). We endorse all these. Their early implementation would go a long way in improving the plight of landless agricultural labourers and artisans, a large majority of whom belong to the Scheduled Castes and Scheduled Tribes.

21.29. Considering the fact that the educated unemployed are provided job opportunities through various Central schemes in the country

side, the provision of social housing particularly for teachers, doctors, nurses and other personnel employable in rural areas assumes priority. In addition, we recommend that proper categories of social housing such as working women's hostels, creches for the children of the working women etc., should also receive serious consideration in the Fifth Plan both in urban and rural areas.



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*Summary of Recommendations House sites Programme—New
Dimension*

1. The twin problems of security of shelter and means of livelihood of the landless agricultural labour and artisans should be tackled simultaneously. The rural landless should be provided with supplementary means of income in subsidiary occupations wherever possible to enable them to improve their living standards and to bring them into the mainstream of the productive process. The house site should be sufficient to enable the labour family to follow a suitable subsidiary avocation. (Paragraphs 4.4 and 4.5)

2. With a view to providing house sites adequate for taking up various subsidiary occupations, the Scheme of Ministry of Works and Housing should be modified as under:

- (a) In thickly populated semi-urban areas, the area of house site may range between 100 sq. Yds. to 130 sq. Yds.
- (b) Where relatively more land is available and space can be provided for a cattle-shed or poultry or piggery or village industry alongwith the site for a house, the area may range between 250 sq. Yds. to 300 sq. Yds.
- (c) Where adequate land is available and water can be provided for vegetable growing, the area may be around 500 sq. Yds. (Paragraph 4.8).

3. Wherever the scheme is taken up for allocation of house sites, the development of land should form part of the scheme. Wherever vegetable growing could be taken up as a subsidiary occupation, the State must provide adequate means of irrigation, e.g. community wells from the irrigation programmes, for the purpose. The development should also include provision of drinking water, drainage, roads and communications for the colony. This development should be viewed as a part of the larger programme of rural development. (Paragraphs 4.9 and 4.10).

4. The planning of subsidiary occupation should properly detailed with the provision of house sites, the type of occupation depending on the operation of the various programmes in the particular area. (Paragraph 4.11).

Administration

5. An accelerated programme of providing house sites should be taken up. The house sites, the housing and the subsidiary occupation programmes should be planned and coordinated effectively for concerted development and sustained impact on the economy of the landless agricultural labourers and artisans. (Paragraph 5.1.).

6. The planning authorities at State and district levels should be made responsible for inter-departmental coordination. (Paragraph 5.2).

7. It will be desirable to have a separate Rural Housing Board in each State to supervise the implementation of the programme and laying down general guiding principles. The Board should have special interests represented on it and have effective links with Zila Parishads, Panchayat Samitis and Village Panchayats. It is desirable that the existing Rural Housing Cell is merged with the proposed board and acts as its secretariat. The Cell, should be adequately strengthened to draw up individual projects under this programme and implement them. (Paragraph 5.3).

8. The entire programme of providing house sites should be time-bound and completed in a phased and planned manner. A programme for half a million households should be taken up annually for the next 10 years. (Paragraph 5.4).

9. The Department of Social Welfare should adopt the scheme of the Ministry of Works and Housing as modified in this Report and implement it as a Centrally sponsored programme. (Paragraph 5.5).

10. A programme for three million landless Scheduled Caste and Scheduled Tribe families should be taken up and completed in the next 10 years. Similarly, a programme for another two million landless agricultural labour families belonging to other sections of the landless should be taken up for implementation during the same period. (Paragraph 5.6).

11. In order to ensure adequate planning, the State Government should, on a priority basis, collect data relevant to the implementation of the programmes, from the areas where these are to be launched. (Paragraph 5.7).

12. The programme should be linked with the programmes of SFDA/MFAL. In the MFAL areas particularly, the first priority must be given to this scheme to enable the labour family to derive the benefits of the MFAL Project. (Paragraph 5.8).

13. In every district where there are subsidiary occupation schemes, the house sites programme should be built-in to make the landless labourer eligible for and capable of utilising the assistance available from these schemes. (Paragraph 5.9).

14. Panchayat lands should be utilised for providing house sites under this programme. (Paragraph 5.10).

15. The house sites should be near the village and if necessary, lands adjacent to the village *abadi* belonging to private owners should be acquired through outright purchase or in exchange of Government or common lands. Appropriate rules should be framed for expeditious acquisition of land for house sites. (Paragraphs 5.11 and 5.12).

16. The provision in the scheme of the Ministry of Works and Housing that the landless Scheduled Caste and Scheduled Tribe families should be interspersed along with other families being allotted house sites is reiterated. (Paragraph 5.13).

17. Alongwith the programme for provision of free house sites, facilities will have to be given to the landless labour families for house construction on the sites allotted to them. For this, suitable programmes of assistance will have to be drawn up. (Paragraph 5.14).

Financing

18. An estimated investment of about Rs. 22.5 crores for three lakh landless Scheduled Caste and Scheduled Tribe families and about Rs. 15 crores for two lakh landless families belonging to other sections of the population may be required annually to meet the cost of acquisition of land and development of house sites. (Paragraphs 5.15 and 5.16).

19. For a programme of house construction, the feasibility of routing funds through the Rural Housing Boards may be explored. (Paragraph 5.17).

20. The financial assistance for construction can be given as loan to those landless families who are in a position to repay and those whose economic condition can be improved through the provision of subsidiary occupations. Where it is not possible to put the families on a subsidiary occupation programme, they may be given the benefit of construction subsidy. The subsidy programme for the Scheduled Castes and Scheduled Tribes has to be viewed as a special case and continued. (Paragraph 5.20).

21. The beneficiaries of house sites may require longterm loans on easy terms of payment for house construction. The possibility of making available the facilities of differential interest rates for the weaker sections may be explored for this purpose. (Paragraph 5.21).

Legislation

22. The provision in the Scheme of the Ministry of Works and Housing requiring the States to enact suitable legislation for conferring homestead rights on priority basis is reiterated. Conferment of these rights under the enactment should be speeded up. Wherever the site for the homestead is insufficient for a subsidiary occupation, the labour family should be made entitled to benefit from the scheme suggested in the Report. (Paragraph 5.23).

23. All States should review the enactments and plug loopholes or remove such limitations in the prevailing laws which affect the programme of providing house sites to landless agricultural labour and rights of homestead on priority basis. (Paragraph 5.24).

24. The rights conferred in homestead should be heritable. (Paragraph 5.25).

25. The provision in the scheme of the Ministry of Works and Housing against alienation of the allotted house site to a third party is commended. (Paragraph 5.26).

Source:—Interim Report on House-Sites For Landless Agricultural Labourers—National Commission on Agriculture—Pages (i) to (v).

CHAPTER 10

ASPECTS OF EMPLOYMENT GENERATION THROUGH SOCIAL WELFARE SCHEMES

22.0. In keeping with the accent on social justice enunciated by the Prime Minister on several occasions the Working Group has examined the social welfare schemes covering the scheduled castes and scheduled tribes. According to the 1961 Census, out of the total population of 43.9 crores, scheduled castes were reckoned at 6.44 crores (14.6 per cent) and scheduled tribes 3.02 crores (6.2 per cent) respectively. The corresponding figures in 1971 Census released by the Registrar General of India based on their distribution down to the level of Tehsil and Town is as follows:—

Total Population	Scheduled Caste Popula- tion		Scheduled Tribe Popula- tion	
	Number	Percent of the total Popula- tion	Number	Per cent of the total Popula- tion
5,47,949,809	79,995,896	14.60	37,974,953	6.93

In examining the schemes for welfare and development of backward classes, we have acquainted ourselves with the details of the schemes, the Mid-Term Appraisal and also the Annual Plan, 1972-73. While we recognise that the schemes for the backward classes have been considered as an additional part of the total efforts for promoting their social and economic well-being, we would like to state that these schemes are not specifically employment-oriented. And to this extent we have had to hold discussions with the Department of Social Welfare in order to ascertain the employment potential of the schemes either on a short-term or long-term basis.

22.1. In regard to the absorption of scheduled castes in Class I to IV posts in Central Government, we have ascertained that the total number of scheduled castes in Class I as on 1st January, 1969, was only 569 out of an all-India total of 24,809 representing 2.29 per cent only of the total. In regard to Class II, out of a total of 40,652, scheduled castes numbering 1,431 were provided posts representing 3.52 per cent. In regard to Class III, out of a total of 13,34,016 the total number of posts held by the scheduled castes were 1,20,246 representing 9.01 per cent only. In regard to Class IV, out of 11,86,672, the scheduled castes in position were 2,17,727 representing 18.35 per cent. As compared with the overall percentage in the total population we feel that this representation in Central Government requires to be increased depending on the availability of qualified hands for the purpose. Comparable State figures of employment of scheduled castes are not available with us. We recommend that the States with a higher percentage of scheduled castes in their total population such as the Punjab, U.P., West Bengal, Tamil Nadu, Haryana, Rajasthan, Orissa, Bihar and Andhra Pradesh require to give better representation to the scheduled castes in State Government services under various categories of employment. In view of the

fact that the 1971 Census figures are not available so far we further recommend that a detailed study may have to be made in relation to the increase in the number of placements effected during the decade 1961-71 so as to relate the total increase in their population to the total employment position in the all-India picture as well as with particular reference to the States.

22.2. We agree with the Planning Commission's recommendations contained in the Mid-Term Appraisal that with a view to improving the placement of scheduled castes in the posts reserved for them in various categories of employment, it is necessary to consolidate the working of the pre-examination training centres started in 12 States and one Union Territory. After carefully acquainting ourselves with the admission policy, the assessment of manpower needs of not only Government departments but also public sector undertakings, nationalised banks and other institutions where there are employment opportunities for them, we endorse the views that there is need for developing appropriate syllabi and coaching techniques. In this connection we strongly recommend that members of scheduled castes with the requisite minimum qualifications should be given increasing opportunities for employment in the private sector, particularly, large industrial enterprises, export houses and similar bodies where they would receive the opportunities of improving their proficiency in handling economic matters, learn commercial techniques and procedures and also, in general terms, be afforded the opportunities of getting an insight into the commercial life of various important urban centres in India.

22.3. We have observed that, at present, there is no nexus between the Department of Social Welfare and the Department of Agriculture in matters relating to the formulation of schemes for employment meant for scheduled castes in the country-side where they form the largest class of landless labourers. We recommend that in all matters connected with land reform, land settlement, consolidation of holdings and tenancy regulations, it is important for both the Departments to consult each other and evolve schemes and procedures on a continuing basis to provide adequate employment for the landless labourers thrown out of work and also to provide them housing, medical and other amenities. We also recommend that as the weakest section of society, the scheduled castes have to receive greater share of attention in regard to wage payments. The employment of scheduled castes in the various irrigation projects including major and minor schemes and multiple cropping has to be gone into separately by the Department of Social Welfare jointly with the Department of Agriculture and the Ministry of Irrigation and Power in so far as a number of schemes are in various stage of operation at present. We have dealt with some of the schemes separately under the head of Agricultural Schemes. We are of the view that equitable distribution of additional wealth generated as a result of the implementation of the schemes over successive years as well as the conferment of property rights on the scheduled castes are two important factors to be taken into account jointly by the Department of Agriculture and Department of Social Welfare.

22.4. The Working Group recommends that alongside the general programme for removal of poverty, there should be a two-pronged drive to improve the employment opportunities as well as general economic conditions of the scheduled castes in agriculture, by protecting their rights to fair wages as well as to land ownership. In this connection we

have taken note of the fact that lack of mobility on the part of the scheduled castes who were traditionally wedded to certain menial occupations in the villages, has been an important factor that militated against their benefiting from the spread of technology as well as the creation of new job opportunities in the wake of the implementation of special schemes. In this respect we recommend that apart from examining the possibilities of increasing the number of flush-outs etc. in urban housing, there must be a concerted drive to restore the self-dignity of Bhangis and others in doing menial jobs by assuring them higher wages. We also recommend that the scheduled castes have to be increasingly drawn into the programmes of youth corps, land army and social welfare schemes, all of which we have dealt with elsewhere separately.

22.5. In regard to the general improvements as well as special educational opportunities of scheduled castes, the Group has taken note of the present tendency for students among scheduled castes to increasingly seek admission in particular colleges in very large numbers, far out of proportion to the institutions' capacity to absorb them. We understand that this situation has arisen out of the unwillingness on the part of certain institutions in metropolitan cities to lower their standards so as to admit a larger number of students belonging to scheduled castes. In view of the palpable difficulties of reducing the general admission standards in all educational institutions so as to benefit those scheduled caste students who, generally speaking, are found to fall short of the standard requirements for admission to colleges and higher educational institutions, we recommend that the problem should be examined in all its aspects by the Department of Social Welfare with the Ministry of Education so as to see to what extent conditions attached for admission to certain important educational institutions in the country could be relaxed on special grounds for the benefit of the scheduled caste candidates to acquire proficiency in essential skills.

22.6. We have identified that the most important reason for scheduled castes not improving their levels of skills through education as well as encouragement in gainful productive activity is their lack of finance to see them through. In this respect, we recommend that alongside the implementation of social welfare programmes, there should be special programmes involving the nationalised banks so as to sanction loans without security to such deserving members of the scheduled castes who came up with the proposals for self employment.

22.7. In this connection we would emphasise that all special schemes for social welfare should not be misconstrued or diverted to benefit the poor among the non-scheduled castes and should be specifically oriented for the betterment of the weakest collectivity of scheduled castes. This is not to deny that the poorer classes among the upper castes do require urgent succour and this could be postponed. But, by and large, the poverty and destitution among scheduled castes are on such a large scale and so far below the general poverty line so that whatever amount earmarked for their upliftment has at least to be spent on them rather than be sidetracked.

22.8. We further recommend that whenever small scale industrial undertakings etc., are being contemplated, such facilities should be extended to them only in keeping with the availability of the facilities for marketing of products manufactured in such establishments. In addi-

tion, we are of the view that wherever loan facilities are extended to the members of the scheduled castes there should be a proper assessment to see that these loans are utilised properly and fully by the recipients and not diverted for other purposes. In furtherance of this, we recommend that it is necessary to induct enterprising members of the educated scheduled castes for training in crafts, management training and be also given the benefit of entrepreneurial guidance through institutions and agencies at different centres. We further recommend that if this involves special concessions to be shown towards them, the institutions concerned should relax the rules of admission, fees etc., and accommodate a large number to expedite the grooming of scheduled castes candidates for effective professional training and employment. We have observed from studies carried out on the basis of the Scheduled Castes that their representation in the manufacturing sector did not exceed three per cent although the rate of increase if any, registered during the last decade can be assessed by us only after the full analysis of the 1971 Census data is available. We are of the view that this low level of representation is not merely due to the lack of manufacturing industries in the districts where they are concentrated at present but also reflects on the poor levels of skill formation among them due to lack of education, training facilities and above all, the limited opportunities thrown open to them to get absorbed in the labour force of the manufacturing sector. Although an overall picture of the situation prevailing in different parts of the country is not readily available due to the paucity of special studies either by the Ministry of Labour or by the Department of Social Welfare, there has been sufficient evidence thrown up by certain surveys both official and academic that the intake of scheduled caste workers in labour intensive industries such as textiles continues to be hidebound by anachronistic social prejudice of employers and intermediate level of officers in their undertakings. For example, it has been brought to our notice that in important industrial centres of western India scheduled castes and scheduled tribes constitute a high percentage of the total labour force in the spinning, weaving and processing departments. This is accounted for largely by the type of operations involved in which the scheduled caste labour particularly has shown, not merely aptitude but also levels of skills required by the operation. However, the permanent strength of the labour force in the various departments of the mills do not always reflect the recognition of these factors so that a considerably large percentage continues to be shown as *badli* labour and also under temporary categories.

22.9. We understand that the recruitment of scheduled caste labour takes place like other labour through several methods usually employed for the purpose, e.g. direct recruitment at the gate of the mills, through direct contacts, placement through the relatives working in the mills, through trade union leaders and contractors and also in a fewer number of cases, through advertisement in the local newspapers. The employment exchange also play an important role although this appears to be declining in some parts of the country. In a large number of cases *badli* workers among scheduled castes seldom get an opportunity to be absorbed in the permanent labour force in spite of their having put in several years of service. As the situation varies from region to region and there are palpable considerations of untouchability, casteism etc., there is, in our view, a special need on the part of the managements to live up to the country's expectations in providing special treatment to the scheduled castes so that they may play a significant role in the progress of

the textile industry. This will also apply to the employment of scheduled tribes, wherever it is applicable. As the country has been undergoing rapid changes in social attitudes, the imperative need for an increasing absorption of these backward communities in the industrial labour force requires to be reinforced in the minds of the management of all industrial concerns, particularly those employing labour intensive techniques. We strongly recommend, therefore, that the foregoing aspects should receive the special attention of the Social Welfare Department in co-operation with the Ministry of Labour and Employment so as to assess the dimensions of the problem and thereafter to devise suitable remedial measures for the Fifth Plan on a systematic basis.

22.10. In connection with the rural electrification programmes, the Group has ascertained the difficulties that stood in the way of electrifying the Harijan bastis for which Rs. 5 crores have been provided in the Fourth Plan. We have observed that only Rs. 50 lakhs have been spent so far for this specific purpose. It has been brought to our notice that electricity supply being based on commercial considerations, electrification of Harijan bastis did not yield any rate of return, although in this respect, electricity boards have been given subsidy by the Central Government to specifically include the Harijan bastis. Apart from the fact that Harijan bastis situated mostly on the out-skirts of cities and towns, their dwellings did not satisfy the minimum technical criteria such as wiring and the fixtures, which cannot be dispensed with in rural electrification programme. We recommend that a special study should be undertaken by the Department of Works and Housing to go into these aspects in consultation with the Ministry of Irrigation and Power and the Department of Social Welfare, so that an all-round consideration of the improvement of the possibilities of supplying electricity to Harijan bastis, could be gone into and the matter given continuous consideration at the level of the Centre as well as at the States. In view of the accepted fact that deficiencies in the development of infra-structure have hitherto largely defeated the extension of modern amenities to welfare motivated schemes specially meant for the scheduled castes, we recommend that infrastructural development in such backward States where there is a higher concentration of scheduled castes to their total population, particularly, in some of the districts and blocks, should receive the special attention of the Government. In this respect, we would specially emphasise the need to concentrate on agricultural development, including agro-based industries in districts where the proportion of scheduled castes and scheduled tribes is more than 33 per cent to the total population of the District, as brought out by the Report of the Expert Group on State Enactments having a bearing on Commercial Banks lending to agriculture. This may be seen at Appendix XXXV. Appendix XXXVI from this Report shows details of Bhoodan Land and Gramdan Villages. We would in particular, stress on these measures being extended to the villages adjoining cities and towns where the sweepers, mostly traditional *Bhangis*, are concentrated.

22.11. The Group has taken note of the fact that, at present, there are no special provisions for enhancing the representation of scheduled castes in the social welfare department in so far as requirements are, normally, subject to the Central Government rules. Nevertheless, We are of the view that it is important for a large number of Class I officers belonging to the scheduled castes to be specially absorbed in this Department for receiving practical training and thereby acquire lively interest

as well as the proper outlook in the upliftment of their social conditions in the process of implementing various social welfare programmes. In this regard, the Group has ascertained that there are favourable fields for the employment of scheduled castes in programmes of child welfare, maternal care etc. where large number of *Balsevikas* could be gainfully and productively employed. There are possibilities of utilizing them for the increased production of food, utilising locally available food stuff, the improvement of nutritional standards, rural transport, family planning and women's welfare. Although, there are special programmes covering these fields, we have ascertained that only half a dozen States have organised women welfare centres including those meant for child care. In view of this, we strongly recommend that States with higher concentration of scheduled castes be persuaded to play a more active role in their development alongside the lines that we have recommended in the earlier paragraph.

22.12. From the planning angle, we are of the view that measures for social engineering calculated for the upliftment of the scheduled castes on a countrywide basis should be well-conceived and that such suitable welfare measures and programmes should be considered as more important than an overall developmental approach. What is required in our view, therefore, is to intensify the activities of the existing development corporation and other institutions and also increase their number as well as organisational structure in particular States. We recommend that such efforts should receive the attention of the Department of Social Welfare based on special surveys and that similar steps should be taken in an intense fashion during the Fifth Plan.

22.13. We have observed that the Department of Social Welfare are, at present, not concerned with the study of the participation of scheduled castes in industrial labour and as such, the social constraints that stood in the way of their larger absorption in particular professions and that also impeded their mobility have not been studied. In view of this we recommend that a study group consisting of high level officials of the Department of Social Welfare and the Ministries of Industrial Development and Labour should go into these questions for the absorption of scheduled castes, particularly, unskilled labour in centres of industrial activity and highlight the scope for their larger employment in the field of industrial labour. We would also recommend that wherever the absorption of educated scheduled castes figure in the Central and State schemes for the generation of employment, their evaluation at the end of the Fourth Plan period should bear a special assessment of the benefits that have accrued to these weaker collectivities.

CHAPTER 11

ASPECTS OF PLANNING SELF-EMPLOYMENT

For Graduates and Post-graduates in Various Disciplines

23.0. In the foregoing paragraphs we have examined some of the important ongoing central schemes under the Fourth Plan that have effectively provided job opportunities to graduates and post-graduates. The magnitude and gravity of the problem of unemployment under these categories have also been shown on the basis of the assessment made by the Division of Scientific and Technical Personnel, CSIR, New Delhi. We have, however, not touched upon the various aspects of promoting self-employment amidst the large category of Science, Engineering, Medicine, Agriculture, Veterinary, Arts and Commerce graduates and post-graduates to take up gainful occupation on their own initiative and also under the guidance of institutions such as consultancy firms, commercial and industrial enterprises, Employment Market Information of the DGE&T etc. As the immediate solution for growing unemployment in this category does not lie in providing them with job opportunities through a shelf of programmes and projects both by the Central Ministries and State Governments, we are of the view that all other possible avenues of self-employment should be explored to the maximum extent and the desirable climate created for encouraging young people to do so. The current expectation amongst them that the provision of employment soon after their graduation or completion of studies is entirely the responsibility of the State is also likely to be diluted with better comprehension of Indian social realities provided self-employment could be planned on an organised scale. In this respect, we understand that in the USA about two per cent of the scientists and less than five per cent of engineers are self-employed whereas in India, graduates including post-graduates in science, have been estimated to be self-employed to the extent of five per cent. Engineering graduates have also been found to be self-employed up to six per cent. Nearly a quarter of the medical graduates, in modern medicine or allopathy, are also found to be self-employed as private practitioners. Self-employment under this category in the USA amongst doctors in private practice is reckoned at 62 per cent. Economic development, therefore, essentially connotes higher levels of self-employment among the educated classes as distinct from passive dependence on Government initiative in providing job opportunities.

23.1. While the estimates of self-employment among the educated and trained personnel is stated to be varying from 2 to 50 per cent depending on the profession, in general terms also, there would appear to be a growing trend in the direction as has been attested by the estimates made by the Division for Scientific and Technical Personnel, CSIR on the basis of special censuses on scientific and technical personnel conducted by the Registrar General of India in 1961 and 1971. The general conclusions of the comparative position during the decade 1961-71 show that the proportion of self-employment among scientific and technical personnel have increased practically in all fields in sympathy with the increase in the total stock of these personnel. The following

table gives the self-employment position during the decade under various categories: —

TABLE II.13.— *Self-employment Among Scientific and Technical Personnel*

(Percentage)

Category	Early 1961	Early 1971	
	Among total employed	Among total employed	In total stock
Agricultural (Post-Graduate)	2.2	2.2	1.9
Science (Post-Graduate)	3.4	3.6	2.9
Agricultural (Graduate)	—(a)	4.5	3.6
Science (Graduate)	—(b)	9.3	5.7
Agricultural and Science (Graduate)	8.1(c)	8.8	5.6
Engineering and Technical (Degree)	3.8	7.3	6.1
Engineering and Technical (Diploma)	4.2	4.7	3.9
Medical (Degree)	24.9	27.6	22.8
Medical (Diploma)	34.6	45.3	42.3
Veterinary (Degree)	2.2	2.7	2.2
Medical (Indigenous and Homocopaths all levels)	47.7	51.0	44.3
Nursing (Graduate)	9.3	5.6	4.7
Nursing (Diploma and Certificate) . . . . .	..	2.7	2.5
Arts (Post-graduate) . . . . .	..	8.7	7.0
Arts (Graduate) . . . . .	..	11.7	8.0
Commerce (Post-Graduate) . . . . .	..	14.3	12.0
Commerce (Graduate) . . . . .	..	13.8	10.2
Technical and Vocational Trade (Diploma and Certificate) . . . . .	..	2.7	2.5

Source. —Bulletin on Technical Manpower, CSIR, Vol. XIV, May, 1972.

NOTE. —(a, b) Separate figures are not available ; combined figure given at (c). This also applies to Table II.14.

From the above table it emerges that self-employment has gone up from about four per cent in 1961 to seven per cent in 1971 among the employed engineers including those in self-employment. It has further been estimated that 5,000 engineers holding degrees and diplomas were self-employed in 1961 whereas their corresponding figure in 1971 rose to 23,000. Out of this number the proportion of self-employment among diploma holders in 1961 was higher than that among degree holders in engineering although the position appears to have been reversed in 1971 with a higher

proportion of engineering graduates taking up self-employment. The following table illustrates the position.

TABLE II.14.—*Estimated Number of Graduates in Self-employment 1961 and 1971*

Category	Level	Self-employed	
		Early 1961	Early 1971
Agriculture	Post-Graduate	76	257
Do.	Graduate	NA	1,700
Science	Post-Graduate	1,470	4,040
Do.	Graduate	NA	23,940
Agriculture and Science	Graduate	12,000	25,640
Engineering and Technical	Degree	2,230	11,300
Do.	Diploma	2,870	9,530
Veterinary	Degree	NA	286
Medicine (Modern)	Degree	9,400	22,300
Medicine (Modern)	Diploma	10,520	11,420
Arts and Humanities	Post-Graduate	NA	27,350
Do.	Graduate	NA	91,100
Commerce	Post-Graduate	NA	5,600
Do.	Graduate	NA	27,320

Source.—Bulletin on Technical Manpower, CSIR, Vol. XIV, May, 1972.

23.2. The opportunities for self-employment open to graduates and post-graduates in agricultural or general sciences appear to have been proportionately smaller than those open to the engineering and technological fields. An important point that emerges from the data given in the table is that the arts and commerce graduates and post-graduates have found self-employment to a higher proportion than those in science and engineering on the basis of the findings of the special census conducted by the Registrar General of India in 1971. The median pay and earning in public, private and self-employment sectors as given by the CSIR is also revealing about the extent of the viability of self-employment from the remuneration angle.

TABLE II.15.—*Median Pay and Earning in Public, Private and Self-employment Sectors*

(Persons at all levels of education)

Category	Public Sector	Private Sector	Self-employment	All Sectors
Science	443	427	565	438
Engineering and Technical	488	650	742	519
Medicine (Modern)	725	725	730	725
Agriculture	412	424	460	414
Veterinary	490	625	430	492
Arts	373	358	458	370
Commerce	394	446	590	410

Source.—Bulletin on Technical Manpower, CSIR, Vol. XIV, May, 1972.

23.3. The importance of promoting self-employment among the educated categories particularly scientific and technical personnel cannot be overemphasised in the Indian context. In so far as the need for a higher stock of these personnel for the future plans and the training imparted for the purpose have to be matched by the provision of employment opportunities, if not directly by the Government, atleast through the expansion in the activities of private agencies. There is need for the planned promotion of self-employment and the need to modify approaches to educational planning as such. As graduation or post-graduation under any of the categories does not equip the person with the requisite capabilities for self-employment, a series of organisational and institutional measures require to be devised under Indian conditions. In this regard, we would give the foremost priority to the establishment of a net-work of consultancy services for promoting self-employment. As the sector of small scale industries has been specially identified as offering scope for self-employment, we would like to outline below our views on the subject. As we do not like to overlook the special aspect of planning self-employment for the large number of matriculates, craftsmen, etc. in India, we have sought to deal with it separately. Similarly, attracting youth for self-employment requires also a preparatory training and attitudinization towards dignity of labour and self-reliance as part of character formation through such voluntary organisations as Youth Corps, Land Army etc. The State schemes that have drawn our attention under this category have also been examined by us in the report. We are of the view that promotion of self-employment opportunities constitutes the key to transform the social frustrations of youth towards constructive national endeavour.

Need for Consultancy Services for Promoting Self-Employment in Small-Scale Industries

23.4. Taking an overall view of the schemes formulated by the Ministry of Industrial Development as well as by the nationalised banks for promoting self-employment among the engineering graduates, ITI diploma and certificate holders, we have observed that one of the serious impediments in the way of starting small-scale industries is the inadequacy of the arrangements that exist at present for consultancy services. We agree with the view that while "starting an industry or business can be exciting and challenging and also prove itself to be a trigger for economic development", only a very limited number of scientists and engineers have the requisite competence and experience to start them on their own. Apart from the financial requirements, there is need to have a full comprehension of the initial arrangements for starting an industry or business. We recognise that, at present, the Small Scale Industries Board and the Development Commissioner for Small Scale Industries at the Centre and the Directorate of Industries in the State Governments are charged with the responsibility of looking after the development of small scale industries. The Industrial Extension Service Centres for Small Scale Industries set up as direct service agency to small scale industries, no doubt, meet the requirements of the small entrepreneurs who are faced with the difficulty of engaging skilled technicians and business consultants. The functions of the Industrial Extension Service also include three main activities that have been of a great help for those entrepreneurs among the educated unemployed who would like to launch themselves in business or small scale industries. These are given below:—

- (i) To conduct economic surveys in particular industries and areas, and make concrete recommendations for a developmental programme;

- (ii) To act as information centre, including the publication of the bulletin etc., and answering enquiries for economic and commercial information; and
- (iii) To help in the development of ancillary units.

23.5. Details of the technical and managerial guidance by the SSIDO through the 16 Small Industries Service Institutes (SISIs), eight branch institutes and 55 extension centres are given below:—

TABLE II.16.—*Technical and Managerial Guidance by the SSIDO*

(Figures as on March 31, 1971)

	<i>Numbers</i>
1. Advices on purely technical matters	7,29,101
2. Advice on starting new industries	3,24,648
3. Other assistance	8,31,049
4. Visits to units	7,49,318
5. Technical literature such as model schemes, etc.	66,969
6. Economic Information	3,38,565
7. Persons trained in industrial management	29,779
8. Persons trained in technical trades	29,817

Sources.—“*The Economic Times*” dated 29th May, 1972, K. L. Nanjappa, Development Commissioner for Small Scale Industries, Ministry for Industrial Development, New Delhi on “How Big is the Small Scale Sector?”

23.6. Together with the similar assistance provided at the State level by the Directorates of Industries, there is at present wide range of Technical Advisory Service, Workshops and Laboratories Service, management, consultancy service, managerial and technical training service and information and general services to the small enterprises. Notwithstanding the above, the Working Group had attempted a fresh assessment of the issues relating to the need for consultancy services and our views are given in the following paragraphs.

23.7. Our new assessment of the need for consultancy services for promoting self-employment in small scale industries is based on realistic appreciation of the difficulties faced by the entrepreneurs on numerous counts. These are:

(a) there is, at present, no suitable organisation that can provide a package of assistance to an entrepreneur howsoever eager he might be in starting a small industry;

(b) there are innumerable difficulties caused by delays in obtaining clearances/sanctions from a large number of Government Departments/Financial Institutions. These have been brought to our notice specifically by the Indian Institute of Technology, Madras in a separate memorandum. These have been attested by others also;

(c) the present practice adopted in many States of leaving teething issues of small scale industries to the Industries Department have generally proved to be unsatisfactory. Assistance provided in the matter of allotting land, water, power, raw materials etc., has not been found to be either expeditious or satisfactory to the majority of investors in small scale industries and there is frustration on this account;

(d) there are, at present, substantial investible surpluses in the rural sector, that has developed fast due to the new agricultural technology in certain States, which could be tapped for investment in productive areas such as the small scale sector and in this manner, their non-productive investment in luxury houses, consumer durables, jewellery and extravagant forms of living, could also be avoided to a great extent ;

(e) the Interim Report of the Committee had also made observations regarding the need for a Multi-Service Agency that would attend *inter alia* to the needs of intending entrepreneurs in matters such as the procurement of raw-materials, finance, marketing of products etc., (para 78, pages 50 and 51).

23.8. We have given careful consideration to the need for setting up organisations that can provide a package of Consultancy Services for the small investors, consisting of all the major functions and services that require special attention at present. These include :

(i) Market surveys that would identify the specific products in an area where it can be manufactured profitably. This will directly involve the identification units suitable for this purpose.

(ii) As information regarding demand and supply, process, import policy availability of scarce raw-materials etc., is vital to the intending investors, there is an urgent need to provide them all information relating to the facilities available for financing the unit through Government or institutional agencies. For this purpose a data bank has to be created.

(iii) The preparation of feasibility report containing all the requisite information to be provided to the financing institution by the investor assumes priority in the above context. The quick preparation of such feasibility reports by an organisation would enable the investor to decide on a particular product or products and, therefore, the speed of decision making can be enhanced and the financing institution will also be enabled to assist him promptly.

(iv) We envisage that, at this stage, the organisation of Consultancy Services can extend assistance in negotiations for financial assistance from either a nationalised bank or industrial finance corporation. Such specialised assistance to negotiate loans will, in our view, improve matters a great deal over the prevailing conditions.

(v) The organisation should be able to advise the investor on matters of process and technology most suitable to the local circumstances in the area where he proposes to set up the industry.

(vi) Assistance in the procurement of appropriate equipment and even in negotiations on price to be paid to the suppliers is another type of valuable service that this organisation can render.

(vii) As the next stage, the consultancy organisation can extend specialized assistance in the supervision of construction and erection of the industrial unit.

(viii) Guidance in the selection of operators and their training could also be extended by the organisation and, wherever necessary, training could be arranged with existing units elsewhere.

(ix) Guidance and assistance in regard to marketing arrangements is the next most important stage at which the organisation can extend its assistance in so far as many small investors do not appear to have a full comprehension of the possibilities of marketing their products because of lack of experience or information.

(x) The Consultancy organisation should be in a position to assist the small investor on the needs of a regular inspection of his products so that the quality of his production can improve on a systematic basis.

23.9. The task of "mothering" an intending entrepreneur on the above lines through a consultancy organisation will involve the services of specialist staff covering the following:--

- (i) Engineers (Civil, Mechanical, Electrical, Chemical, Industrial and Production);
- (ii) Marketing specialists;
- (iii) Financial Experts, chiefly Cost Accountants and Financial Advisers, and
- (iv) Inspection staff.

Manpower planning should be geared up to see that arrangements are made to improve the outturn of these categories by specialised institutions in the coming years.

23.10. As it is important to define the area in which such an organisation would function effectively, we consider that each such organisation should not have more than 200 miles radius as the sphere of their activity. We feel with about a 100 of such organisations to begin with and with one such organisation for at least 6 districts there should be the possibility of covering all the major regions of India that require this type of assistance to promote industrial development.

23.11. We have acquainted ourselves with the range of the institutions that are offering consultancy services at present in the country and we feel that Banks, existing engineering and design organisations like the Promotion and Development Division (P&D) of the Fertilizers Corporation of India, Fertilizers Engineering Development Organisation, Engineers (India) Ltd., and the Central Machinery Development Organisation (CMDO) alongwith large industrial houses in the private sector would be in a position to set up such organisations. It is our view that when Consultancy Services are started in the country on a large scale, on the above lines, it would be useful to invite qualified and experienced Indians now serving abroad and possessing up-to-date knowledge and modern ideas to join them.

23.12. We envisage that each organisation set up in this manner will have its own special characteristics and that it will be enriched by the experience in catering to the special nature of consultancy services required in particular areas. However, we would emphasise that parallel to these organisations there should be a Small Scale Industries Development Commissioner in each State with a Deputy Assistant Commissioner posted in each district and vested with powers necessary to act on behalf of the Government in providing infrastructural facilities that are being attended to by the Industries Department of the State Government at present. We

feel that if officers of the above designations are appointed in the States they can directly take up the responsibility of promoting the development of small scale industries with greater efficiency in close cooperation with the organisation of the Consultancy Services.

Aspects of Planning Self-Employment for Matriculates, Craftsmen etc.

23.13. Considerations of full time employment in the country cannot be divorced from the possibilities of increasing self-employment to the maximum extent. Under Indian conditions, at any rate, self-employment constitutes the main feature like many other less developed countries of the world. It is important to observe here that there are levels as well as dimensions to self-employment of moderately educated persons that is basically related to the tempo of general economic activity that prevails in different parts of India. This varies with the temporal attitudes of communities in sympathy with their natural environment or the ecology of their habitat. With the increasing pace of urbanisation, industrial development as well as the use of agricultural technology, however, self-employment is likely in the long run, to transform itself into job-oriented wage employment. This process is taking an accelerated turn under the present conditions in India largely under the impact of economic planning and the general raising of the tempo of economic activity. The Group is fully convinced that, apart from general economic development, the Central and State Schemes are bound to assist this process of employment generation through multiplier effect in the primary, secondary and most of all, in the tertiary sector. Whereas self-employment is both gainful and productive, wage employment, be it in the industries, big or small, cottage or village industries, processing operations etc., which are increasing in the different industrial complexes and urban areas, has reduced the levels of self-employment in the country, particularly in some of the developing areas.

23.14. We are not aware of any special studies carried out on the nature of the absorption of self-employed people gradually into wage paid employment except tangentially. The scheme for extending financial assistance to entrepreneurs for setting up of industries, formulated by the Ministry of Industrial Development, the scheme for ITI certificate holders and apprentices implemented already since 1971 by the Department of Labour and Employment have been dealt with by us earlier. Similarly, the State Schemes formulated for providing self-employment through training courses have also been covered by us under the State Schemes. In this connection, it is interesting to observe that the Report of the Bihar Unemployment Committee, 1960, had drawn special attention to the social and economic values of self-employment since they had emphasised on the necessity of a clear-cut policy of the State towards self-employment (pages 87-88). The Bihar Unemployment Committee postulated that self-employing occupations are not necessarily like relief employment, in so far as there are certain individuals and activities, such as watch repairing, lock-making, the making of handicrafts, toys etc., in which "individual judgement and a test of the human eye and touch cannot be replaced by machinery". As a land of traditional handicrafts with renowned self-employed craftsmen, India is fast succumbing to a state where the craftsmen are out of employment and are facing difficulties for want of raw materials and such items essential for self-employment. The rapid commercialisation of internal as well as export trade

covering their products that fetch higher values at the market price without benefiting them, has created not only unemployment among the former self-employed groups of individuals with traditional skills but have also made them a prey to the operations of unscrupulous market forces, middlemen and similar characters. Wherever self-employed people have succeeded in forming co-operatives of their own, such a situation has not made itself felt in an acute fashion. In this connection, we have observed that the scheme for the organisation of Block Level Village Artisans (Baluteders) multipurpose cooperative societies prepared by the Government of Maharashtra is worthy of experimentation in other parts of the country. Appendix XXXVII gives the text of this scheme. We endorse its objective of reviving Industrial Cooperative Societies for artisans and workers engaged in handicrafts and cottage industries.

23.15. The Group has not been in a position to enquire into the existing state of affairs of traditionally self-employed people of all categories independently in order to make any firm recommendation either in respect of any particular household industry or craft. In this respect we have substantially been guided by the findings of the Khadi and Village Industries Commission, Bombay. In view, however, of the increasing dimensions of internal trade covering the products manufactured by groups of craftsmen representing carpentry, goldsmithy, weaving, masonry etc., we would recommend that wherever possible the traditional skill should be continued to be preserved in the family set-up and not be allowed to die out in the process of economic development that is taking place in different parts of the country. Although we are aware that the Commission of Khadi and Village Industries are going into this question in depth based on their Enquiry of Village Artisans under the Khadi and Village Industries Board, Maharashtra, there is in our view the need for collection of data on this on a countrywide and continuous basis. The present enquiry covers only oil pressing, tanning and leather work, pottery, cane and bamboo articles, fibres and cotton wears, besides grain processing. The statistics of employment covering 21 village industries as collected by the Khadi and Village Industries Commission in their Annual Report, 1969-70 are given in Appendix XXXVIII. Taking an overall view of the work that has already been done by different bodies, we would strongly recommend that, from the plan standpoint, employment generation under any scheme or project that involves wage paid labour in any locality should not draw away skilled craftsmen either as ordinary workers or add to the ranks of the illiterate or semi-educated unemployed. We also recommend that the impoverishment of traditional craftsmen for want of incentives should be rectified on an all India scale so that their self-employment is fully ensured, taking the following developments into consideration:—

(i) While on the subject of giving financial aids to the craftsmen to sustain their employment in traditional village industries we have been assured by the fact that the Report of the Banking Commission, 1972, has devoted considerable thought to the lot of the small artisans who do not normally hire any labourers outside their families for helping them in their business and who also do not employ any large scale mechanised tools. The Banking Commission had taken steps to ascertain their usual sources of credit from indigenous bankers, money lenders, friends and relatives. They had also verified the quantum of loans received by them from a few cooperative agencies and also such Government agencies like the Directorate of Industries and the Small Scale Industries Corporations.

The Commission has in addition conducted a survey by interviewing 1,087 artisans.

(ii) The credit requirements of small artisans based on their findings were determined and on this basis the Commission has recommended that the small artisans and other self-employed persons may be encouraged to form themselves into cooperatives or associations wherever feasible. To quote the Banking Commission: "The cooperatives or associations could among others, look into the financial operations of artisans and help the credit agencies with information about the concerned artisans at the time of processing loan applications, as also issue certificates, if so needed, to vouch for the operations of the artisans concerned. Care, however, should be taken by official agencies to see that these cooperatives or associations do not misuse their powers of issuing certificates of credit worthiness to artisans. There should be, therefore, a check from time to time by appropriate bodies in this respect." (Para 7.29, Page 117).

23.16. The Banking Commission has further taken note of the introduction of the Credit Guarantee Corporation of India (Small Loans) Guarantee Scheme which came into operation from April 1, 1971. The scheme as it was conceived provided credit facilities to self-employed persons in priority and included sectors to amounts not exceeding Rs 20,000. Such credit facilities could be utilised for purchasing necessary equipment, or for repairing or renovating existing equipment or "for purchasing tools or for working capital requirements". The scheme will cover credit facilities of even the skilled persons who do not have any professional or technical degree or diploma. It has been noted by the Banking Commission that with effect from October 1, 1971 the Credit Guarantee Corporation has introduced this scheme under which credit given to service cooperatives by scheduled commercial banks and by those State and Central Cooperative Banks whose deposits are insured by the Deposit Insurance Corporation is guaranteed by the Corporation. The Commission has, therefore, recommended that "the eligibility for participation in the Credit Guarantee Scheme for small loans should be extended so as to include non-scheduled banks as well as Cooperative Credit Institutions extending credit to Industrial Cooperative Societies and small borrowers". (Para 7.25, Page 116).

23.17. Another interesting recommendation by the Banking Commission, 1972 has been that "commercial banks should also evolve schemes that combine in them both savings and borrowing operations of artisans and other small borrowers in order to promote and develop banking habits among them". The Commission also recommended that "interest rates charged from these borrowers should be reasonable and that banks should attempt to reduce the cost by resorting to similar procedures as also their properly designed policy of differential rates". (Para 7.27 Page 116).

23.18. The Group is of the view that if the above quoted recommendations of the Banking Commission, 1972 are properly implemented, the self-employment opportunities of artisans could be safeguarded a great deal, in the multifarious village industries that are widely scattered in different parts of India. We are of the view that the implementation of these recommendations from the angle of their impact on the working conditions and the raising of employment levels among village artisans.

may be specially evaluated by the Planning Commission in cooperation with the Banks and Industrial Cooperatives before the end of the Fourth Plan period.

23.19. In regard to self-employed craftsmen, we further recommend that quite apart from studying the economics of the self-employed workers relating to various household industries, crafts etc., through special credit-oriented quick surveys e.g., by the Banking Commission, socio-economic surveys should be undertaken by the Indian Council of Social and Scientific Research in order to identify the social and economic characteristics of small and large groups of communities devoted to such type of occupations but who are perforce affected by the trend of machine oriented economic development and employment generation and therefore, have to give up their traditional skills and also take up wage paid labour, overlooking in the process their traditional occupations and skills. We think that with the raising of their levels of technology through the use of mechanical tools, the craftsmen tend to lose their devotion to their work and fail to produce objects of excellence. This is also likely to divert the younger male members of the family to other professions. Secondly, under the normal circumstances when a craftsman faces unemployment for want of raw material or other inabilities to pursue his traditional occupation and is forced to take up low wage paid labour or other occupations disapproved by his kith and kin, we would interpret the situation thus created as being contrary to the interests of the country. We are of the view, therefore, that certain studies under this category might be undertaken from the viewpoint of the impact of commercialisation of handicrafts, industries and such other items which are figuring in the export trade on a large scale and at the same time, do not confer benefits on the artisans. We recommend that a special effort should be made by the Government to see that the quality of their/skills is safeguarded and that greater financial benefits accrue to them in the general process of employment generation.

23.20. We endorse the view of the Bihar Unemployment Committee that the safeguarding of the rules of employment of the people possessing traditional skills has an individual as well as a social dimension and, therefore, it cannot be lost sight of in the interest of the country. This is so for the reason that there is emotional satisfaction in self-employment and also considerable scope for initiative and enterprise, that are basic to the development of entrepreneurship and the development of economic rationality among the poorer classes in the country. Economic rationality translates itself in a developing situation when the people possessing these skills are assisted purposively to earn more in terms of income from their labour by marketing their products and realising their cost of production plus a reasonable profit. On this ground, alone, therefore, there is need to foster self-employment in several backward regions of the country where, by force of circumstances people with traditional skills are concentrated without proper avenues of marketing. In this respect although we generally accept the existential fact leading to the continuance of the traditional occupation amongst communities for want of educational advancement or other facilities enjoyed by the rest of the community, particularly in urban areas, we would at the same time not like to preclude them from the general benefits and advantages of development. With the availability of, as well as the regular use of better tools by the craftsmen, such as gold and silversmiths, wood workers, stone cutters, idol-makers and similar categories of traditional workers in the

country, there has also been a set-back in self-employment for want of the wherewithal to acquire them and keep up with the rising levels of demands of their products. We are aware that the Handicrafts and Handloom Export Corporation and similar bodies operating in export trade have through various schemes of export assistance eased the shortage of tools to some extent. This might have assisted them in producing articles for the foreign markets in larger numbers or of better quality since the benefits of higher price realisation either through exports or through the sale to tourists do not reach the artisans to sustain themselves. We do not, in this context, advocate a too hasty modernisation of tools or the large scale production of items exclusively for exports at unremunerative prices or to prop up over-invoicing operations of exporters or middlemen. From the employment standpoint, we are of the view that while the competition from cheaper commercial substitutes and products e.g. plastic articles, chappals etc., based on modern technology in the countryside cannot be helped, the planning authorities of the States should take prompt and adequate measures to see that traditional occupations e.g., leather chappals, shoes etc., are not displaced by the deliberate popularisation of consumer goods on a vast scale and create unemployment amongst disadvantaged rural families. In this respect also, we endorse the view of the Bihar Unemployment Committee, 1960, that self-employment means the maximum employment of family labour and this directly strengthens the family as a unit.

23.21. As unemployment generally creates acute poverty, we would like to stress that the levels and nature of unemployment prevailing in some of the backward States as a result of the expansion of the consumer goods industry using modern technology will result in the disrupting of family life, reduce the levels of income and also prepare the ground for social instability. Overall, therefore, we are of the view that the generation of employment in either industrial or agricultural sector, in any part of India, has to be evaluated, strictly in terms of its impact on the lives of the larger communities in the adjoining areas. We recommend that Indian sociologists and economists should devote a good part of their attention and studies on this aspect of the changes taking place in different parts of the country, which under the guise of much-vaunted economic development leads to the disorganisation, if not the disintegration of social life itself. We would also like to underline that the instability created in rural households in similar circumstances, is likely to create social unrest of deeper significance. This has been illustrated by the recent experiences in West Bengal.

23.22. The problem of employment generation using capital resources at the small industry level has given rise to several policy changes during the last few years in regard to the financial resources availability to start minor enterprises. In regard to self-employed people such as craftsmen, we are not aware of any scheme framed in adequate terms, by which financial aid has been given to any family or group of families who have been themselves impoverished to continue their traditional occupations and have, therefore, had to take up alternative employment, specially wage paid labour, that is unsuited to their aptitudes and skills. We have already enumerated the recommendations of the Banking Commission, 1972 on the subject with which we are in full agreement. Whereas cooperative organisations of craftsmen are in a position to benefit from loans from cooperative banks and are also able to systematise their levels of production for supplying their products to official as well as private

agencies, the individual household incorporating a traditional skill is not in a position to avail of the same unless the individual agrees to conform to the wishes of the cooperatives unconditionally and get themselves fully absorbed. This is likely to impose constraints in several cases of self-employed households using small amounts of capital and not making any demands on society, for other amenities such as housing or other rights and responsibilities safeguarded by the Factories Act, 1948. We recommend, therefore, that alongside the present tendency to institutionalise production effort of the household with traditional skills through their absorption in cooperatives and backing the labour with financial loans etc., by cooperative banks, there should, at the same time, be a discriminating effort on the part of District Collectors to see that particular families within their jurisdiction and traditionally self-employed in the fabrication of art objects, handicrafts, agarbatti-making, idol-making, pottery, cap-making, wood-carving, umbrella making etc., should not be denied the opportunity to pursue their avocation in a changing situation, where the accent is on trade and commerce. We are recommending this for the reason that the scheme of providing loans etc., to craftsmen centrally sponsored might not make itself felt unless the District Officers make an extra-humanitarian effort to familiarise themselves about the artisans and motivate them to greater gainful activity and see that their finances are subsidised.

23.23. Secondly, the exploitation of their weak financial condition by middlemen might be stopped and producers cooperatives organised. In taking special steps most suitable to cope up with a situation, we are of the view that the State Government as well as the all-India organisations that have the welfare of self-employed people in view should pay special attention to the present trends of social change and modernisation taking place in different parts of the country. In recommending this we would like to make it explicitly clear that we are not against any modernisation process that is taking place in keeping with the time spirit but that we aim merely at safeguarding the human factor. This should have its rightful place in any discussion on employment generation. Self-employment, therefore, constitutes a vital part of the subject of full time employment and forms the basic plank of social stability and that also safeguards private initiative and the emotional satisfaction derived from the work in a traditional occupation within the household.

Creation of Employment through the Organisation of Youth Corps

23.24. The Group has been attracted by two proposals for the organisation of Youth Corps by the States of Mysore and Tamil Nadu. These proposals have been now embodied in schemes and are in the process of experimentation. The basic idea of Youth Corps has been conceived in European countries, particularly socialist countries. They have been by and large, related to the political party organisation and in some countries Youth Corps are known to have made immense strides in nationally-significant activities. During days of nationalistic struggles, Indian youth have been surcharged with the spirit of unity for national purposes. This emotional integration appears to have been watered down a great deal due to reasons that are well-known and therefore, need not be gone into by us. The National Cadet Corps in India in the early stages of its organisation had also embodied this idea and experimented it, in relation to constructive activities. We are convinced that there is positive scope in organising Youth Corps in all the States, in so far as it directly serves to

increase the social rationality of the youth and also canalise it for purposes of social reconstruction. In this process economic activity and employment are likely to be generated on a large scale in the countryside since the members of the youth corps will set an example to the rural youth in engaging themselves in self-employment activities as well as in raising their levels of aspirations for getting absorbed in gainful employment.

Mysore

23.25. According to the Mysore Scheme which originally started under the designation of Mysore Development Corps in February, 1971, the Corps will be composed of voluntary workers who would like to dedicate part of their lives to the development of the State through the utilisation of skills and energies. The Corps would have six units initially, viz: —

- (i) Adult literacy
- (ii) Maintenance of agricultural machinery.
- (iii) Backward districts
- (iv) Farmers training
- (v) Hospital services
- (vi) Youth services

23.26. Each unit would have 25 volunteers to start with. Each volunteer that joins the above Corps on the basis of a selection by a Committee will be subjected to assessment for one year, in addition to the prescribed period of training. The volunteers will be permitted to opt for the second year of service and they will be permitted to continue, provided they give an exceptionally good account of themselves. They will be paid a maintenance allowance of Rs. 150 per month during the period of training. They will also be entitled to TA and DA at the rates applicable to Government officials drawing the basic salary of Rs. 1,000 per month. In addition, they will be also entitled to a casual leave of 15 days per year.

23.27. According to the scheme, people in any walk of life could apply for the volunteership. Government servants who were desirous of doing some social service would also be allowed to opt for it for the year during which they would be treated as on leave without pay.

Tamil Nadu

23.28. The Social Welfare Department of the Government of Tamil Nadu has announced a scheme of youth service Corps. The Chief Minister of Tamil Nadu in the course of his budget speech, 1971-72 had announced that the purpose of the scheme was to formulate a new programme to enthuse the graduate youth. The Youth Corps which will be formed for this purpose will dedicate itself to social service. 2,000 graduates will form a Corps to begin with. These will be selected from among graduates in subjects like education, medicine, agriculture, engineering, science and arts. There will be a leader for each company of 50 youngmen. The Youth Corps will primarily be utilised for doing constructive social service in villages. They will be paid an honorarium of Rs. 155 per month which would enable them to meet their out of pocket expenses. They will be distributed all over the State at various

taluk headquarters. From the taluk Head-quarters they will proceed to various blocks. Besides, undertaking social services like adult literacy, improvement of health services, family planning, they will also be given publicity to free the people from superstition, untouchability, casteism and other bad practices. Members included in this Corps will also be provided with essential medicine kits so that the health of persons in the villages can be looked after.

23.29. The Youth Corps will also help the agriculturists to undertake new methods of cultivation and bring home to them new techniques and new varieties of seeds. Members included in the Corps will serve for a period of one year and will be rendered eligible for preferential treatment in the matter of recruitment to public services. Besides providing employment for 2,000 persons, it is the hope and belief of the Tamil Nadu Government that this Youth Corps will provide a new social and economic order and bring new life to the educated youth of the State.

23.30. From the standpoint of the organisation of the youth service corps, we feel that the allotment of the volunteers to 100 development blocks out of the total 375 development blocks of the States has been done in a rational way. The entire formulation of the scheme has also been done on practical considerations. From the viewpoint of expenditure the Budget estimate for 1972-73 of the Tamil Nadu Government provides a sum of Rs. 58.29 lakhs for meeting the expenditure for nearly 1,900 men and women volunteers who were trained in the last financial year and who were already in the field. A fresh recruitment of 2,000 volunteers for 1972-73 is also under consideration. We further understand that the Government of Andhra Pradesh is also contemplating the formation of a similar Youth Corps.

Some Observations on the Schemes of Youth Corps

23.31. Our considered view is that the formation of Youth Corps, on the lines done by the Tamil Nadu and Mysore Government, will be well worthy of emulation by some of the larger States. In the organisation of similar Youth Corps, we foresee the distinct advantages of persuading the educated unemployed youth to undertake constructive activities in the rural areas, by getting to appreciate the earth and earthy, social realities prevailing there and also in developing a deeper understanding of the infrastructural problems in the countryside. We would like to lay stress on the fact that a good measure of the urban pulls that hold sway over the impressionable minds of the educated youth in India are explained by their lack of humane interest in their fellowmen, on the one hand, and in their own social environment, on the other. The orientation received by them through higher education also detracts them from taking a deeper interest in the problems of the rural folk. Higher education imparted through English medium also is substantially the reason behind this alienated as well as indifferent attitude towards the national problems as they are felt all over the country. We would like, in this connection, to commend the Mysore and Tamil Nadu schemes of youth corps for the rest of the country, wherever it is feasible, with such changes as would be necessary to suit the budgetary and other considerations of the State Governments themselves. We recommend that the concerned State Governments may evaluate the working of the

scheme before the end of the Fourth Plan period. We are anxious that the working of these Youth Corps schemes should not assume the qualities of sub-nationalism of the States or in any other way assume a spirit of exclusiveness. In this connection, we would recommend the need for psychological appraisals by competent institutions in the country of the adaptability shown by the Youth to the different tasks assigned to them.

23.32. An important feature of the Tamil Nadu Scheme that we would like to highlight here, is that groups of volunteers working in the block with training in different disciplines will work together and exchange notes and impressions and also acquaint their findings to the District Collector. We see in this arrangement a direct advantage to the administrative authorities of obtaining the fresh viewpoints of the youth which will prove itself to be an invaluable asset in deciding on the action programmes for development in the blocks. In this respect, the District Collector is likely to be benefited by a realistic appreciation of the aspirations as well as the basic needs of the villager, that are not, truly, speaking, effectively interpreted or conveyed by the administrative hierarchy of village officials to the District Collector. Fundamentally, therefore, the Youth Corps when it gets established over a period of time, is likely in our view, to attract a continuous flow of educated youngmen to the countryside and create in them a genuine interest for social welfare activities. In this context, we would like to recommend that States operating Youth Corps may periodically discuss their experience under the National Planning Commission and also examine the possibility of participating of youth from other States, so as to, generalise the benefit with an all-India perspective, if need be with central assistance.

23.33. Whereas in certain countries with authoritarian regimes such Youth Corps have been created by administrative fiat and/or wedded to political ideologies, we are happy to observe that the present move in the southern States appear to be free from such influences and are governed by the twin objectives of providing gainful employment to the educated youth and also of opening their eyes to the accumulated problems in the countryside. We would characterise this development as a right step in the direction of bringing democratic socialism to the country-side.

PART III

SOME BASIC ISSUES OF THE FIFTH PLAN STRATEGY FOR EMPLOYMENT GENERATION

1. GROWTH ECONOMICS AND EMPLOYMENT

24. The Group had assigned to itself the task of considering modifications required in the planning strategy for attaining the three objectives placed before the public by the Prime Minister. These are: the eradication of poverty, the alleviation of unemployment and the reduction in income disparities. In an examination of the factors underlying the search for the solutions of these problems, we have had the benefit of consultations with several economists and also the evidence deposed by the special invitees before us as well as the Committee. These problems have been subjected to detailed discussion by various institutions and forums of different political persuasions. However, there has been no consensus so far as to what should be the measures under planning that would produce the desired impact in the future plans for all the three problems.

24.1. A significant aspect of the discussions has been that no alternate model with complete consistency and vigour has been advanced so far. Academic opinion expressed hitherto do not appear to be helpful in formulating a different model for the purpose in view¹. Therefore, the aggregative view of the problems continues to hide the true picture of social realities. In this respect, we are of the view that economic planning being based on national economic rationality focused on the domestic need for the mobilisation of resources and the proper allocation of resources, the Planning Commission, as an expert body cannot dispense with aggregative thinking on a national scale and also cannot but have recourse to the use of the language, concepts and symbols of applied economics. However, the disaggregated diffusion of the national effort required for economic growth is the function of Plan publicity combined with conscious administrative calibre in implementation of projects. As the biggest parliamentary democracy in Asia with a federal polity effective Plan publicity is essential in place of ideological resonances generated at home and abroad that serve the purpose of disrupting systemic awareness based on the need for homogeneity and national integration.

24.2. The Dantwala Committee had also pleaded for a disaggregated picture of the employment position from the technical angle of the concepts and methodologies used for data collection in relation to unemployment. The over emphasis, if any, laid on the rate of economic growth has been largely brought out by the Annual Economics Survey, the Report on Currency and Finance of the Reserve Bank of India and similar other publications emanating from the Government and private sources that reflect the overall performance of the economy during a particular year². It is, however, a fact that the general interest in the determinants of economic growth based on population growth, technological progress, capital accumulation and institutional factors had been considerably delayed because of factors that we have enumerated.

¹For discussion see: J. Bhagwati and S. Chakravarty: 'Surveys of National Economic Policy Issues and Policy Research', *The American Economic Review*, Vol. LIX, p. 4, Part 2, Supplement, September, 1969.

²The need to conform to the methodologies followed by the U. N. agencies in respect of evaluations of comparative economic development may have promoted this approach in India a great deal as well.

24.3. We have come across the views expressed in responsible quarters that, hereafter, the emphasis of the Plan should be on employment and not on economic growth. Our considered view is that while the rate of economic growth cannot be ignored, special attention will have to be devoted to the sectoral component of employment generation that is added to the rates of growth from year to year. This is based on the view that the level of employment in a particular area reflects truly the total acceleration of the economic activity that has resulted from planning measures within the country and which contributes to the overall progress of the economy that gets reflected in the increase in the rate of growth of national income, per capita income and total production, say from the present rate of 5 to 5.5 per cent to a desirable level of 7 to 7.5 per cent. The rate of growth of the organised industrial sector was only 3.7 per cent in 1971-72 as against 6.7 per cent in 1969-70. The growth rate in agriculture that was 6.7 per cent in 1970-71 is expected to fall in 1971-72. It is observed that fall or rise in the rate of growth has an impact on the rise or fall in employment levels themselves as a corollary. Since data on employment levels in this country are not adequate and efforts are afoot to collect and collate them on satisfactory levels on the basis of continuous appraisal in order to assist policy formulation, an impression has been obviously created in the minds of the economists as well as administrators that the rate of economic growth, by far and large, should serve as the chief economic indicator of the overall progress made by the economy in any particular year for the people. However, there is no agreement about the rate of growth during the Fifth Plan period to provide gainful employment to the bulk of the labour force. Criticisms levelled at the excessive importance attached to the rate of growth of the economy are found to be misplaced, particularly when we find that aggregative styles of thought are indispensable for economic planning. We, however, subscribe to the view that there has been some degree of misplaced emphasis before the public without adequate elucidation of the implications as well as responsibilities of growth due to the circumstances stated in the preceding paragraph. The wide reportage of the discussions and proceedings of international conferences has also high lighted economic growth and its deficiencies before the public.

24.4. According to the Economic Survey, 1971-72 the growth of national income in 1969-70 came to somewhat less than the Plan target of 5.25 per cent and the rate achieved was estimated to be 4 per cent. The sectoral contributions to the growth of the national income was suited better in the preceding years, according to the pattern of investment in the Fourth Plan. The growth of industrial production had slowed down from about the middle of 1970 so that the rate of growth in the organised sector was only 3.7 per cent in 1970-71 as against 6.8 per cent in 1969-70. In the agricultural sector, production in 1970-71 rose by 6.7 per cent. The Mid-Term Appraisal of the Fourth Plan has very clearly brought out the required performance of 6.2 per cent in various sectors for increasing the overall annual rate of growth in the Plan period from 1971-72 to 1973-74¹. It is, therefore, in the achievement of the sectoral growth that lies the solution to arrest the fall in the rate of growth at the national level. We are of the view that the main task of the Fifth Plan would be to plan the rate of growth at an accelerated pace so as

¹See Vol. I, p. 5, This represents net domestic product, net value added in Rs. crores at 1968-69 prices.

to generate enough employment. It is not merely the issues of raising the Gross National Product that should receive the attention of the Government but employment generation to the full-employment level wherever feasible. We do not doubt that both are complementary and need to move in unison from one Plan to another. The attainment of higher rates of growth in the sectors that are lagging behind will normally involve additional mobilisation of resources for investment in those sectors, which, by itself, will generate more employment. The average growth in the primary sector during the last 20 years has been 1.8 to 2 per cent per year, followed by 4.4/4.5 per cent in the secondary sector and 4.5/4.7 per cent in the tertiary (transport and trade) sector and 5.5 per cent in tertiary sector mainly composed of administration and defence. The performance of the economy in the disaggregated fashion of primary, secondary and tertiary growth, therefore, has its significance in employment generation in different proportion connected with investment in short and long-term measures of development in these sectors and in this respect, primary and secondary sectors deserve special attention. The two sectors promote the growth of the economy, although they are not so responsive for employment generation as the tertiary sector. Since our objective is to foster both economic growth as well as employment, it should be our aim to keep the balanced allocation of investment in the forefront. The Working Group feels, therefore, that the fundamental solution for the problem of unemployment and the question of generating more employment will lie in the balanced allocation of resources to various sectors, which has not hitherto had the benefit of adequate capital investment. And in this respect, the tertiary sector is responsive to capital investment in employment generation in more encouraging terms and therefore, requires special consideration. The strategy of the Plan, *ipso facto* has to be conceived in terms of paying more attention to such retarded sectors of the economy which offer adequate employment potential but had not hitherto received due attention for want of adequate resources.

24.5. In this respect, the Annual Plan, 1972-73 has brought out the change significantly in the direction of providing them more development expenditure based on the objective of greater resource mobilisation and increased self-reliance, for promoting employment as well as social justice. The overall size of the Annual Plan, 1972-73 has been fixed at Rs. 3,973 crores representing an increase of Rs. 815 crores over the outlay of the previous year. A step-up in the last year of the Plan outlay is contemplated in financial terms, both at the Centre and the States. Additional resource mobilisation had amounted to Rs. 650 crores in 1971-72 and 1972-73. This is in striking contrast to the additional resource mobilisation of Rs. 270 crores in the first two years of the Plan period. The resource effort at the Centre has well exceeded the Plan target. The real problem, therefore, is presented by the States, some of which are not in a position to reach their target of resource mobilisation and organisational efficiency.

24.6. The Plan strategy, in our view, has not merely to concentrate on higher sectoral allocation of resources by the Centre but has also to aid effectively such of the States which cannot come up in the matter of resource mobilisation speedily to an adequate extent due to their structural imbalances, paucity of resources and above all, the lack of political will to move forward. A disaggregated approach of the Plan strategy will automatically involve greater attention being paid to the

economic development of the States and in this respect, the raising of the financial allocations through the Sixth Finance Commission is on the anvil. We welcome that the Sixth Finance Commission will take cognisance of the present arrangements wherein the Plan grants are made on the recommendations of the Planning Commission. As the award of the Commission will cover the period of the Fifth Plan commencing from 1st April, 1974, and its report is expected by October 31, 1973, we expect that the task of finalising the financial projections in the Fifth Plan and Budget 1974-75 would be greatly facilitated. Similarly, alongside of this, a qualitative and structural change in the fiscal policy has also been envisaged, particularly in relation to agricultural taxation. The Group has taken note of the original provisions of the Fourth Plan, the shortfalls in their achievements as well as lacunae brought out by the Mid-Term Appraisal and those that have been sought to be rectified by the Annual Plan, 1972-73. Keeping these in the forefront, we have also sought to elicit the views of the leading economists on some of the basic issues underlying planning in relation to the creation of more employment. Some of the points deserving of special attention are resumed below.

2. GENERAL OBSERVATIONS

25.0. The limitations and possibilities of present planning approaches and processes have figured in our discussions largely on the practical rather than on the theoretical plane. The difficulties presented by the prevalence of a mixed economy with public and private sector on the one hand and the comparative absence of decentralised planning at the State levels, on the other, have both been mooted before us as the principal reasons behind the upsurge of interest in unemployment in the country. Planning process of India has been generally speaking indicated in academic circles as being unrealistic to face the growing problems of a federal polity. Excessive reliance on over burdened administrative officials, inadequately oriented to the basic grasp of socio-economic realities of their jurisdiction, has been adduced as the main reason for developing an economic administration to meet the challenges of social development planning, including employment generation in India. In keeping with the prevailing mood of criticism of western theories and concepts, there has been a good measure of emphasis on the need to evolve national approaches as well. Overall, however, we have observed that the causality of unemployment problem or the nature of remedial measures to be adopted, on both short-term and long-term basis, have not received that degree of attention as would result in a crystallization of viewpoints on any aspect of the issues involved.

25.1. In the above respect, we have also observed that there is lack of depth in the replies to the questionnaire covering points on planning from all quarters and such exceptions as could be noticed in this regard, have largely emanated from a select few who have had past associations with the framing and implementation of policies to combat unemployment. We would characterise the present low level of awareness as being highly inadequate to promote a rational understanding of the principles and processes of economic planning in the country that should, after all, offer the key to its many-faceted development. We are convinced that much more than planning publicity is called for to rectify this situation. Fragmented thoughts of the present variety do not appear to us as being conducive to enable the public to move in consonance with

the good intentions of those in authority, even less those couched in rational strands of government policy. We strongly recommend, therefore, that concerted steps should be taken to diffuse information to all sections of the public about the changing phases of Indian planning and processes and quicken the awareness about them and ensure public participation on a larger scale than hitherto.

3. PHYSICAL vs. FINANCIAL PLANNING IN THE CONTEXT OF THE FORMULATION AND IMPLEMENTATION OF PRODUCTS.

26.0. We have observed that the discussion of the formulation of employment strategy in the context of physical and financial planning first took place in the Second Plan. It was recognised that while "physical planning aims at working out the implications of the development effect in terms of factor allocations and the product yields so as to maximise incomes and employment, financial planning ensures that the demands and supplies are matched in a manner which exploits physical potentialities as fully as possible"¹ without any major and unplanned changes in the price structure. We consider that the importance of planning for balanced growth, both in physical and financial terms, has not in any way diminished in the country, particularly, at this stage of the Fourth Plan when the integration between physical and financial resources and the consistency between various sectoral developments have assumed particular relevance in the context of formulating and implementing strategies for employment generation². From what we have stated in Part I regarding the approach of the Group, it would have become clear that although the Second Plan had clearly spelt out the complementary aspects of physical and financial planning, the sequential aspects of project formulation and implementation in various sectors have not received continuous attention. We have given examples in various sections where projects have been rendered ineffective for employment generation on account of this factor.

26.1. At the formulation stage of a project, as clearly stated in the Second Plan, "the question is not merely one of how the finance is to be raised—although that is an important question—but whether and how the real resources of the kind (such as machinery, building material, labour etc.) have to be obtained. Similarly, when the project is completed, the question is how its benefit would be utilised and what types of demand this will satisfy and in turn create; plans for the latter may have also to be laid out in good time if resources are not to run to waste. What is more, the mobilisation of real resources has to be viewed in the light of the programme of development as a whole and not merely in relation to individual projects. To this end, the way demands for inputs rise in various related lines in response to a planned increase in output at particular points has to be studied".³ We are of the view that this approach requires to be grasped in all its implications during the Fifth Plan which will presumably stress on employment generation a great deal more than the current Plan.

26.2. We agree with the view that the rationale of a project for employment generation within the Plan framework is basically to upset an existing balance and to establish a new one at a higher level and in

¹Second Five Year Plan, 1950, pp. 15-16.

²For a theoretical appraisal see: J. N. Bhagawati and S. Chakravarty, *Op. Cit.*, pp. 26-29.

³Second Five Year Plan, 1950, pp. 15-16.

this respect, it is the higher level of employment that is expected as the outcome if the raising of employment levels is a main objective of the project. Here also, it cannot dispense with considerations of the physical inputs such as machinery, machine tools and equipment and managerial skill, labour inputs etc. Although this has been realised in subsequent Plans, it would appear to us that there have been other aspects of the Plans related to physical and financial planning that have been lost sight of. The balance between the supply of consumer goods and the purchasing power available for being spent, that between savings and investments and that between receipts and payments abroad, have been some of the points that have not been planned adequately. Similarly, the balance between demands for and supplies of each important commodity that is necessary has also been inadequately planned. A system of achieving balances in part through adjustment in prices and factor demands partly through budgetary policies and physical controls have been followed throughout so that it would appear to us that the integration of physical and financial planning has been hitherto defective.

26.3. As there is an ambivalent viewpoint relating to physical planning *versus* financial planning even at this stage of the Fourth Plan, we have devoted some thought to the matter. In our view, the setting of physical targets by itself does not generate any employment as physical planning would normally involve strict implementation of the project with the input of adequate administrative ability. Unless the various departments of the administration make an intensive study of the different projects relating to different sectors of the economy from the angle of the employment potential, the implementation of the project by itself will not help to relieve unemployment in the area, either on a short-term or long-term basis. Therefore, it will be practicable to consider all planning as physical. We would not like to overlook that valuations issues are involved and it will not be possible to produce meaningful financial details that replace the aggregate of physical plans. We feel that since employment generation was only one of the aims and not the major objective of any of the previous Plans or the projects up to the mid-term point of the Fourth Plan, the question of capital-labour ratios or norms based on them have not been attempted at the physical planning stage, although these have, to some limited extent, received attention at the financial planning stage, in terms of the amount earmarked for the purpose. Employment generation being a social-cost benefit to the community, financial planning, unless it explicitly governed by social welfare considerations, has not taken into account this part of the social benefit. It has been found that mere earmarking of finances for a project does not help unless the physical resources on which these aims are to be expanded are available. We agree with the view that in both physical and financial planning, the principal nexus should be the price structure which would reflect the implications and volume and pattern of investment in any total plan. We are, therefore, of the view that this distinction between physical and financial planning has crept up in the minds of several students of Indian planning, largely due to the infructuous character of the implementation of certain number of plan projects, both by the Centre as well as by the States.

26.4. Based on the overall experience of planning as reflected in the guidelines and instructions issued so far and also viewed in the context of regional, district and block level planning that is being introduced, at present, we take view that in the coming years there will not be that degree

of faulty conception of projects or defects in their implementation for the reason that the total availability of physical resources in terms of potential will be fully taken into account particularly, the employment generating potential implicit in each plan project. In this respect, we consider that before undertaking any plan project at the Centre or the State level, it is not merely the labour input but the total employment potential which will result directly and indirectly thereby that will have to be assessed in terms of social cost benefit. It should be the responsibility of the State Governments to see that an elaborate public works strategy on this basis and also the infrastructural development already takes place in the particular area before a plan project is implemented; this is to ensure that there would not be any hold-up on account of the lack of physical resources, particularly the labour input in that area for the consummation of the project. Such an approach will be facilitated in our view when there is integrated area development planning that will provide adequate information prior to project formulation for any specific purpose. We have elaborated this view point in Part I.

4. NEED FOR AN EMPLOYMENT PLAN

27.0. From time to time, the question of an employment Plan, either on an annual basis or one that is co-terminous with each Five Year Plan has been suggested so that the employment levels in the country may be assessed in a disaggregated fashion and the planning strategy may be geared to meet the changing requirements of the situation. As full employment was discussed as a possibility during the First Plan and as this coupled with social justice continues to be the ideal goal for the Five Year Plans, there is general acceptance of the view as laid down in the Fourth Plan that radical policies of income distribution are required without affecting economic growth and that "when incomes are rising the objective of growth and social justice are easier to reconcile".¹ We, therefore, endorse the view that with every annual Plan and mid term appraisal of the Five Year Plans, there should be a proper assessment of the employment levels reached as a result of the implementation of the Plan programmes both by the Centre and the States. The continuous assessment of employment levels, however, is closely dependent on the availability of adequate data covering all sectors of the economy. As the work relating to this is being looked after by the Panel appointed by the Committee, we do not consider it appropriate to make here any special observations regarding the same pending the submission of their report. However, just as perspective planning is required, we support the view that there should be perspective, planning for employment generation also. In our views, this could be for 15 years so that long maturing projects of labour intensive character would get reflected in the perspective plan as distinct from the annual or Five-Year Plans which cannot do full justice to this aspect.

5. MOBILISATION OF RESOURCES

28.0. In keeping with our terms of reference and the examination of the ongoing Central and State Schemes, the Group, has at various times, been seized of the question of raising resources for Plan expenditure for direct outlays in long-term projects of employment generation. It will be seen that in a number of schemes, particularly those relating to agriculture, we have recommended their continuance during the Fifth Plan

¹Fourth Five Year Plan, 1969-74—pp. 20-21.

period on a wider scale than hitherto. Our tentative calculations for a larger outlay for the various ongoing schemes on the lines suggested by us have been done on the basis of the employment norms prepared by the Planning Commission in 1960, substantially based on 1958 and 1960-61 prices. We recognise that in view of the manifold increase in prices and wages since then, fresh employment norms will have to be calculated on the basis of 1970-71 prices and the required outlay calculated on that basis in order to be realistic. Taking into consideration the minimum needs programme outlined in the paper "Towards Self Reliance Approach to the Fifth Plan", it has been estimated by the Planning Commission that fresh taxation required to finance the Fifth Plan would be of the order of Rs. 6,000 to Rs. 7,500 crores. When the minimum needs programme is included in the Fifth Plan on a more ambitious scale, we assume that the development outlays for employment intensive programmes, now estimated at Rs. 7,200 to Rs. 7,800 crores may have to be augmented further. We would not like to attempt an estimate of the total outlay required by the Fifth Plan for continuing the ongoing programmes alongwith the incorporation of the minimum need programmes, as these are on the anvil at present.

28.1. In view of the fact that mobilisation of resources for the Fifth Plan through labour intensive schemes has been accepted as a basic principle we assume that this will reduce capital outlays in such sectors where labour intensive technology is adopted in place of machine oriented technology. As this covers the field of work assigned to the Industries Group, we are not in a position to comment on the extent to which capital investment could be saved in the existing industries through the substitution of labour intensive techniques. However, to the extent that there is no systematic restructuring of the Plan towards labour intensive programmes of a long-term character covering all sectors of the economy, we assume that outlays will have to be of a higher order than in the Fourth Plan. The problem of raising financial resources as distinct from the harnessing of human capital will continue to persist. The discussions on Plan models and investment strategies have invariably differed from one school of economic thought to another. While there has been great emphasis on agricultural development and examination of the prospects of planning agriculture in India, there has been a continuous pressure of ideas since the Second Plan to improve industrial technology and raise labour productivity in order to solve the problems of industrial growth that constitutes the major impetus to general economic growth. We would not like to embark on a discussion of the relative merits of these two schools of thought. However, we would like to emphasise that reallocation of resources under the Plan should not interfere with the existing levels of higher technology and reduce it merely for the sake of promoting labour intensive technology. In this connection some of the views expressed by the Osmania School of Thought have been examined in consultation with them.

28.2. In regard to the mobilisation of financial resources to meet the higher levels of public expenditure on several Plan projects and thereby to contribute to the present rate of growth of the economy, we have already expressed the view that the development of natural and human resources has to be put to optimum advantage through their fuller and effective utilisation. Similarly, we are also of the view that the raising of the aggregate receipts of the public sector through taxation policies while curbing consumption patterns, has to receive the special attention

during the coming years. Therefore, we endorse the action taken by the Government in bringing about a qualitative and structural change in the taxation system by paying more attention, from the fiscal point of view, to the untaxed agricultural sector. As such we hope that the recommendations of the Expert Committee on Agricultural Taxation under Dr. K. N. Raj would offer viable solutions to the issues involved. In this connection, we also welcome the decision to appoint the Sixth Finance Commission to examine the basic problem of imbalances between receipts and expenditure in the States that are reflected from time to time in over-drafts by the States on the Centre. As this problem of over-drafts has been raised before us during our fact finding tours to some of the States, we feel that unless viable solutions are offered by the Sixth Finance Commission, there might not be a proper spurt in the number of State schemes that have been evolved during the current year. The salient points of these schemes are given in Appendix XI. The present indebtedness of the States to the Centre has reportedly increased from Rs. 196 crores at the end of the First Plan period to Rs. 6,310 Crores at present. We feel that the fiscal relations of the Centre and the States require to be put on an even keel so that the proper climate could become available in the States for formulating and implementing a larger number of projects at the village, block and district levels that will generate greater employment in specific areas, in keeping with the labour resources, whether they are under-employed or seasonally employed and such factual considerations. We are of the view that the District Collector and other officials are already over-burdened with the implementation of Central and State schemes and this situation is not conducive to efficient over seeing of employment generating schemes now or in future. We have, therefore, recommended elsewhere that State Planning Boards and Area Development Authorities have to come into existence during the Fifth Plan period so as to evolve a new machinery for project formulation in keeping with the special requirements of the States. The prerequisites for setting up similar organisations with proper staff support etc., have also been dealt with by us at appropriate places in this report.

28.3. The desirability of taking recourse to deficit financing for Plan projects that have the potential of generating employment and also for alleviating unemployment in specific cases has received our attention. In this respect, we have acquainted ourselves with the views of economists, the Reserve Bank of India and also those who had deposed evidence before us. Taking into consideration the views advanced by the Reserve Bank of India¹ about the need for a general credit restraint in view of the prevailing price inflation and also the needs of keeping monetary expansion within limits, we are of the view that deficit financing for the Fifth Plan programme that serve to increase social benefits might aggravate the levels of inflation potential unless the levels of public and private savings could be augmented through properly designed policies. We recognise that it will be difficult for us to spell out the actual quantum of deficit financing required to provide assistance to those below the poverty line whose number has been placed at 220 million as sharing the minimum standard. This will require not merely an assessment of the economic indicators, usually expressed in indices in aggregated terms but also a thorough country-wide appraisal of the real situation. We assume that the Working Group entrusted with the study of fiscal and financial measures will go into these to the required extent.

¹Annual Report 1971-72 (September, 1972).

28.4. An important study on "Poverty in India" by Profs. V. M. Dandekar and Nilakantha Rath, 1971 has highlighted the requirements of the works programme to enable the 30 per cent of the rural poor living below the desired minimum (excluding the 10 per cent poorest) to reach the minimum consumer expenditure of Rs. 324 per capita per annum. Their proposals are contained in the following extract*.

"As we have seen, this requires the raising of their per capita annual consumer expenditure by Rs. 64 on the average or a net transfer of incomes worth Rs. 822.4 crores in the aggregate. Let us see what its burden will be if all of it falls on the 10 per cent rural and urban rich. A reference to Table 3.6 (Appendix XXXIX) shows that the per capita annual consumer expenditure of the 5 per cent rich rural population in 1968-69 was Rs. 1544.6 and that of the 5 per cent rich below the top was Rs. 875.1. Now, a 15.0 per cent cut into the expenditure of the first class and a 7.5 per cent cut into the expenditure of the second class cause an average cut of Rs. 148.66 into the annual per capita expenditure of the two classes together. They together constitute 10 per cent of the rural population which at the beginning of the Fourth Plan (1st March, 1969) was estimated to be 428.3 million. Hence, an average cut of Rs. 148.66 in the per capita annual expenditure of the richest 10 per cent would yield a total of Rs. 636.7 crores annually. In the urban population, the per capita annual consumer expenditure in 1968-69 of the richest 5 per cent was Rs. 2,263.4 and that of the 5 per cent rich below the top was Rs. 1,344.1. Again, a 15 per cent cut into the expenditure of the first class and a 7.5 per cent cut into the expenditure of the second class cause an average cut of Rs. 220.16 into the annual per capita consumer expenditure of the two classes together. They constitute 10 per cent of the urban population which at the beginning of the Fourth Plan was 104.4 million. Hence an average cut of Rs. 220.16 in the per capita annual expenditure of the richest 10 per cent of the urban population would yield Rs. 229.8 crores. The two together add upto Rs. 866.5 crores annually which is more than what the works programme requires."

28.5. We have considered it desirable to quote the proposals of Profs. V. M. Dandekar and N. Rath *in extenso*, if only, to cite a leading example of the manner in which resource mobilisation is receiving attention amongst our economists at present. We have no observations to make either about the absolute feasibility of their proposals for adding to the taxable capacity of the State or about the statistical methodology used by these authors, most probably, in the absence of any other easy alternative. However, taking into consideration the slow growth or the secular non-rise in public and private savings in the country other than forced saving and the wide prevalence of the lack of effective demand among the people below the poverty line, it would appear to us that there is sufficient logic in taking recourse to a high marginal rate of taxation of the proposed variety to meet the outlay requirements on labour intensive projects creating social overheads, public works etc., systematically drawn up for each district or scarcity area. In this manner, it would serve the purpose of pumping money into the hands of the large labour force and also help them to raise their consumption/standards and per capita annual expenditure. We recognise the fact that the conflict between economic growth and equitable distribution has arisen largely due to the inadequacy of per capita

*V. M. Dandekar and N. Rath, *Op. Cit.*

incomes below the poverty level to acquire bare essentials of wage goods such as food, clothing etc. In view of the fact that there is no guaranteed minimum income or uniform wage policy, the situation has been rendered precarious¹. Viewed in the context of a deficit financed economic growth also, there is need, in our view, to place the minimum amount of money in the hands of the people before economic growth or distribution aspects of consumer goods could be thought of in the present context.

28.6. Overall, a deficit financed economic growth would appear to us as rather expedient so as not to aggravate the fears of price inflation through wage-price interaction, subject, essentially, to a conspicuous increase in the production of wage goods and consumer necessities using wherever possible, a low-mechanised intermediate technology and ensuring their effective and controlled distribution. If this involves the drastic curtailment of the production programmes of consumer-luxuries and durables for the affluent classes during a period of austerity in the future, we would recommend this course all the same in the larger interests of the country. We, therefore, agree in principle with the views of Prof. V. M. Dandekar that adequate amount of money should be found to finance labour-intensive projects so as to raise the levels of economic activity of the traditionally under-employed rural folk through short-term as well as long-gestation labour intensive programmes that would serve to keep the social-cost of investment low and also permit fair and phased doses of deficit financing for the definite purpose of employment generation.

6. THE IMPORTANCE OF CLASS VIEWPOINTS ON EMPLOYMENT GENERATION

29.0. We have come across the criticism that the entire emphasis on employment generation during the latter half of the Fourth Plan has been too much in the direction of providing employment to the increasing number of educated persons and trained technical personnel and in its wake a new emphasis has been attached to the vocationalisation of education, diversification of trades in industrial training institutes, on the opening of facilities in the industry of emerging trades such as tool and dye-making, electronics and chemicals and on the apprenticeship programmes including provision of basic education programmes. The nature and content of several schemes conceived and implemented by the Ministries of Education, Irrigation and Power, Petroleum and Chemicals, Agriculture, Industrial Development, Shipping and Transport and Health and Family Planning, have been reviewed by us in the earlier sections. While from a long-term angle, utilisation of consultancy and design services will undoubtedly benefit highly qualified engineers and other technical personnel, the schemes of assistance for self-employment to set up as entrepreneurs by the State Bank of India and other nationalised banks and the Ministry of Industrial Development have a positive quality of strengthening the base of human capital formation. They also help in identifying talent among the educated unemployed, provided, of course, the procedures involved in their selection and training are properly adhered to. Nevertheless, we are of the view that there has been, of late, somewhat of an undue emphasis and rather a misplaced commiseration for the plight of large groups of people coming from the upper strata of Indian society and not wholly lacking in financial resources to tide over a fairly long period of

¹For a discussion see: B. S. Minhas, *Fourth Plan Objectives and Policy Frame*, Commerce pamphlet 20-21, Bombay, 1969.

unemployment. In a large number of cases this is interpreted as a psychological development verging on a psychosis which is encouraged artificially at the expense of the lower middle class whose comparative state of under-employment has gone unnoticed so far. The absence of an adequate number of schemes both at the Centre and State levels to employ moderately educated persons and school dropouts at present appear to us as a serious gap in the overall evaluation of the problem of unemployment and betrays also the lack of appreciation of the findings of earlier committees, such as Bihar and U.P. Unemployment Enquiry Committees appointed by the respective State Governments for the purpose. We are, however, happy to observe that new areas of employment generation are being explored by the States as will be seen from the summary of State schemes. (Appendix XL).

29.1. In the above context, we recommend that wherever the selection of educational unemployed, particularly, technical personnel, is involved due attention should be paid by the organisations and agencies to over-seeing that the selection covers legitimately a fair section of candidates who are from middle and lower income groups. In this respect, we have observed that scheduled castes/scheduled tribes have been provided opportunities for employment in various Central schemes on the assumption that the egalitarian ideal will be fully upheld. We have in mind the scheme of intensive training for the promotion of self-employment of III certificates holders and apprentices, scheme for the educated unemployed in industrial and agro-industrial undertakings, agro-service centres, self-employment by Indian Oil Corporation, health and family planning programmes, social welfare schemes etc. We recommend that the extent of their actual absorption requires to be evaluated before the end of the Fourth Plan period as a prelude to the provision of safeguards in their favour in the Fifth Plan programmes.

29.2. We feel that in the matter of holding interviews and also in assessing qualifications, there should not be any undue emphasis placed on public school education, family background or the relative degree of affluence possessed by the families that could be tapped by the employer in any questionable manner, even if it be for investment purposes in the progress or expansion of the institution itself. We suggest that all institutions, agencies and others concerned with the recruitment of personnel for the work under the various State-sponsored schemes should be instructed to see that their absorption is done on basis of equitable considerations so that there is no need on their part to resist pressures brought to bear upon them to deviate from this ideal.

29.3. We are aware that the sectoral classification used in computation by the Planning Commission is based on input-output tables. The Plan model has had recourse to aggregation without taking into account the issues of employment generation for want of empirical information. The extent of computational burden that would devolve on the Planning Commission by increase in the number of sectors, the detailed collection of technical coefficient data, the consideration of labour requirements in place of productivity coefficients, and the checks on the consistency of manpower plans with the overall plans, are some of the factors that are germane to the formulation of an employment Plan and to the tilting of the Fifth Plan in favour of greater employment generation. We suggest that in the Fifth Plan, unemployment should be viewed in the relatively old fashioned manner of sectoral and sub-sectoral angles of inter-industry inconsistencies

and linkages of primary, secondary and tertiary sectors rather than be merely confined to the manpower problems presented by the educated unemployed of urban centres who have been undoubtedly more vocal than their confreres in the villages and command the backing of pressure groups in politics and industry and also the special attention of mass-media in the country. For this purpose, the coverage of the schemes which is largely confined to the primary and secondary sectors should be extended to include the tertiary sector also with such discriminating classification of trade or professions where educated unemployed could get absorbed in centres in the rural areas adjoining some towns. The qualitative assessment of attitudes and suitability of educated unemployed to get absorbed in the tertiary sector has to take place simultaneously with the formulation of schemes for the purpose. We are of the view that in the light of the foregoing, there may be sufficient justification for the Centre to review several of the States' schemes that have been sanctioned with Centre's grant. As the States have a tendency to formulate programmes substantially counting on Centre's aid, we are of the view that the Planning Commission as a body vested with the authority to scrutinize these schemes might also look into the extent of the perceptible aspects of social benefit accruing to the large sections of the community that form an integral part of the national society and share the common orientation in social and economic matters as well. Our comments regarding the viability of some of the States' schemes in these and other respects are given separately in this report.

7. THE SECTORAL APPROACH

30.0. We appreciate that a rigid sectoral approach to employment generation under Indian conditions is not easy in view of several palpable difficulties. Primarily oriented to the concepts and theories of industrial development, the lack of proper statistics of employment even under the conventional division of the three sectors has been a serious lacuna. There are also the difficulties presented by the responsibilities assigned to the various Ministries and Government Departments that hamper the evaluation of policies embodying programmes, not to speak of problems of financial allocations for investment. An important example is the plantation industries which are handled by the Ministry of Foreign Trade while in terms of sectoral approach it figures under the Ministry of Agriculture. Forestry, mining and quarrying are similarly placed under different Ministries while fishing that promises to employ a vast number of people in the coastal regions, chronically affected by seasonal unemployment continues to be under the Ministry of Agriculture. We are aware that the study team on the 'Machinery of the Government of India and its Procedures of Work' constituted by the Administrative Reforms Commission had, in their report, Part I, March, 1967, gone into these problems in sufficient detail and made far reaching recommendations. While not specifically desiring to underline the importance of any of their recommendations that are awaiting the Government's examination and acceptance in the present context, we would all the same recommend a *de novo* consideration in view of their timely relevance.

30.1. The secondary sector, largely concerned with manufacturing activities comprising multifarious items has presented problems corresponding to the above although the emphasis on relieving unemployment of the educated has given this sector a predominant place in the formulation of programmes. Paradoxically enough, construction activities including sub-sectors offering tremendous employment potential such as house

building, roads, railways, bridges, tunnels, telegraphs and telephones, water supply and water resource development, electricity and sanitary resources, manufacture of gas, garbage disposal etc., have been lumped together under this sector, in such a fashion as to, generally, blur the picture of their total potentialities of providing employment to the educated as well as to the non-educated. The secondary sector would require an employment plan based on inter industry relationship and in this respect modern research techniques such as input—output matrices would appear to us as a great necessity. Although these exercises are apparently commonplace in connection with the formulation of Plan models and also in respect of perspective planning, there does not appear to be any dis-aggregated approach attempted in regard to this sector from the specific angle of employment generation and its multiplier effects. We recommend that multi-sectoral inter-temporal models of employment generation be increasingly given an important place in the employment plan either long-term or short-term hereafter.

8. SPECIAL ATTENTION NEEDED FOR THE TERTIARY SECTOR

31.0. The tertiary sector under three major heads of trade and commerce, transport, storage and communications, and services comprise a heterogeneous sector where the overall rates of growth during the Plan have been on the high side. As the growth of tertiary sector comprising these three major heads represent an important index of employment generated during the Plans, the collection of statistics relating to employment in a dis-aggregated fashion throughout the country would appear to us as a basic necessity. In this respect, however, the most difficult problem to be solved would appear to us to be the assessment of the multiplier effects of various employment generating activities from a central point with backward and forward linkages. While we recognise that a satisfactory understanding of the employment generating potential in this sector can be had only on the basis of local, State, regional and inter-regional planning, we have observed that there has not been much headway in the matter of identifying sectors where employment has actually been generated in the activities such as the construction of new railway tracks and roads. The canalisation of export trade through major ports enjoying frequent shipping facilities etc., confines the advantages of employment generation in the tertiary sector to the States where these ports are situated, to the disadvantage of others where the manufactured or processed items originate. The organised trade in a particular line of exports naturally safeguards their established business by resisting the growth of new export centres on the coast line. Similar moves have a regressive effect on the economy and are likely to affect the chain effects of employment generation. We recommend that these questions should receive better attention hereafter. We have observed in our section on transport and communications that the scope for employment generation in the country side through this process is immense. Empirical studies however, are lacking for a number of reasons and the situation, therefore, is pointed to the need for more of such studies being conducted under different institutional auspices in systematic terms.

9. TRADE AND COMMERCE

32.0. Under the very large and diffused sector of trade and commerce also, we are of the view that the employment generation that has already taken place in rather haphazard manner during the Plan periods have

not been reflected in Government statistics to any satisfactory extent. The chain activities involved in export promotion centering on port cities of several hundreds of items, generate multiplier effects which spread over vast areas that are separated by long distances and which embrace the lives of several lakhs of people. Segmental studies of the right kind in depth are lacking in the country although considerable amount of research is being carried on under the head of export promotion and foreign trade, in general. Studies of University scholars have been singularly deficient in this respect and we deplore this lack of interest shown by the academics in vital areas of national economy. We are of the view that a proper study of the foreign trade activities of a selected number of commodities that have found markets abroad and also established themselves within the domestic market, would throw up a good deal of data about the points at which such activities bear the potentialities of generating continuous and gainful employment. In this respect we also recommend that factors leading to the shrinkage of employment in production as well as export of particular commodities should also be highlighted through appropriate studies by the Ministry of Foreign Trade and the Indian Institute of Foreign Trade. The importance of such studies cannot be overemphasised by us in view of the general tendency for imagination being worked up through the lack of proper understanding of recessive trends in industrial production or export trade that sometimes overtake the economy and give rise to the discussion of illdigested ideas and nostrums by foreign experts.

10. PROCESSING OF RAW-MATERIAL FOR EXPORT

33.0. A good number of items finding an export outlet at present undergo processing in different parts of the country for destinationwise export, where the end product from final manufacturing takes place abroad. Items such as iron ore and mineral ores of several categories, tobacco, jute, forest produce, tea and similar commodities, could be studied from the long term angle for offering potentialities of employment generation, provided processing and manufacturing activities could be located in areas where the raw material and other resources are available, in abundance. As this highlights the paradoxes and problems posed by the industrial location policies followed in the country, both as a legacy from pre-independence days and during recent years, the reconciliation of these conflicting situations can take place only under the broad heading of industrial planning. The establishment of industrial and agro-industrial complexes within the country in various areas that offer potential for the purpose, strikes us as a possible solution under the head of regional planning to bring about a higher degree of economic activity in areas blessed with natural resources that have hitherto been adduced as one of determining factors of locational choice at far off places. In this respect we are also of the view that the areas under the new agricultural technology deserve to be treated on a par within the matter of wages with industry, which level has in effect, been exceeded in some States already, so that employment levels in agriculture and industry in the developing areas could be stabilised without being dislocated through absenteeism, migration etc., caused by wage disparities and seasonality of work in agriculture. The extreme backwardness of several States endowed with rich natural resources lends weight to this view, although various criteria have already been evolved for identifying backwardness for industrial location as such. In this connection, we would like to emphasise the importance of bringing estimates of State incomes up-to-date

so that State domestic product as well as per capita State domestic product could emerge on clear lines for policy formulation. We recommend that industrial planning, hereafter, should move forward *pari-passu* with employment planning both at the Central and State levels so that there is a focus given on employment in each industry in relation to its vocational choice. On this more has been stated under planning and plan implementation.

11. DISPERSAL OF INDUSTRIES

34.0. We are aware that in regard to both capital intensive as well as small scale industries there is an effort to disperse the industries in wide areas and that the creation of industrial estates and similar efforts have, by and large, been governed by the consideration of the necessities of a balanced economic development and growth in the country. However, we are of the view that the existing imbalances in economic growth of various States and the slow growth of national income have resulted largely from overlooking the larger perspective of linking employment generation with the establishment of industries. A too narrow approach in regard to the division of the country for development in terms of agriculture and industry appears to have weighed in assessing employment generation sector-wise and to have led to the grave neglect of the spirit of employment generation overlapping a rigid division, sectorwise.¹

12. EMPLOYMENT IN SHOPS AND COMMERCIAL ESTABLISHMENTS.

35.0. Employment activities that are largely operative in the tertiary sector through the opening of small shops, distribution centres etc., have remained, by and large, underestimated. We have observed, in this respect, that the statistics collected in terms of requirements of the implementation of the Shops and Commercial Shop Acts and Rules have been largely vitiated by lack of proper interest focused on employment in this sector by the State Governments themselves. We understand that subject to certain exceptions, these Acts apply in the first instance to shops, commercial shops, restaurants, hotels and places of amusements in certain notified urban areas. As the State Governments are empowered "to extend the application of the Act to such other areas or to such categories of undertakings in such areas as they may consider necessary", we recommend that it is high time that a review of the implementation of these Acts and the statistics emerging out of the same is attempted from the angle of employment potential. We also recommend that enforcement of these Acts should receive proper attention by the State Governments and that wherever there are legitimate grievances against the operation of these Acts from the local people, these should be redressed to the extent as they do not impinge on State revenues unduly. While we concede the point that the monitoring of employment generation of this sector should be largely the responsibility of the local authorities under the canopy of area development authorities or pending their creation, by the District and State Planning Authorities, we have observed lack of awareness of its importance during our tours to certain States. As the face-lift of the countryside is substantially dependent on the extent of increase in

¹It is presumed that the Working Group on Industries will deal with the issues of industrial dispersal in greater detail.

retail trade and commerce that come up in the wake of local development, we recommend that the entire bundle of problems of evaluation should be given *de novo* attention by all the State Planning Authorities, on the one hand, and by the National Planning Commission, on the other.

13. PLANNING PROCESSES AND PARTICIPATION OF THE LABOUR FORCE

36.0. We recognise that the success of the economic planning under both capitalistic and socialistic economies has, in varying degrees, established the fact that without the effective participation of the people at large and the significant association of workers' organisations such as trade unions, the continuity of the success of our planning for economic growth cannot be assured for any length of time. As this is a basic postulate for the success of the strategies meant for employment generation under Indian conditions, we would like to outline our views under two headings:

- (a) Participation and involvement of the people ; and
- (b) Participation of workers' organisations at various levels.

(a) Participation and Involvement of the People in Planning

36.1. The profile of the involvement of the people in Indian planning emerges through the various Five Year Plans with differential emphasis and impact depending on the manner in which attention was devoted to the development of particular sectors through direct outlays. While economic planning was somewhat of a novel idea during the First Plan period when the prevailing economic conditions were comfortable to the extent of not engendering any grave anxieties, based on the unsatisfactory levels of agricultural production or the paucity of foreign exchange resources as now, the Second Plan with its emphasis on industrial diversification and development had brought about planning awareness among diverse categories of interest groups, leaving the people at the bottom rather confounded at the reversal of traditional policies and the conferment of greater authority on district and village level officials. Although the degree of awareness has varied from region to region and was directly dependent on the extent of the literacy of the people and their direct involvement, planning publicity combined with the creation of the employment opportunities might be deemed to have quickened the awareness of the importance of planning to a greater extent than before. With the introduction of the community development programme and the direct involvement of the Panchayati Raj at the village level, it is reasonable to assume that there has been greater involvement of the common people in all the major regions of India where these programmes were implemented with zeal. However, the distance between the good intentions of planning authorities and the self-interest and edification of the communities has always remained great, not merely in terms of the comprehension of the rationalised thought processes behind Plan projects and their implementation but, also alarmingly, in terms of the gap in the basic understanding of the requirements of the planning at the level of the infrastructure, including the socio-economic patterns that had not proved themselves to be amenable to Plan changes

¹The attitudes and policies of district officials have had a great deal to do with the sympathetic reaction of people towards the implementation of Plan projects and this is an area that is receiving attention from the Institute of Public Administration and other bodies. We would desire to see more of specific studies on this subject hereafter.

36.2. The inadequacies in transport and communication media that continue to be operative in several regions of India and these have been unmistakably a set of important factors seriously restricting the spread of planning awareness. However, the operation of the party organisations through the machinery of elections and the spread of ideas of planning from village to village and also at various levels of organisation of the community development such as gram panchayat, panchayat samiti, zila parishads and state governments, has also had the effect of politicisation giving a sense of critical involvement to larger categories of people through their chosen leaders in the democratic process of election. Whether the announcement of socialist planning has perceptibly improved this trend is a matter to be assessed by programme evaluation and mass communication research and cannot be gone into by us or in detail except to the extent of emphasising that it would be worth while to make such evaluations in the future. We are of the view that multi-level planning based on local conditions and the mobilisation of human resources that have been conceived during the Fourth Plan are bound to increase the awareness as well the involvement of the people. In this respect, however, we would emphasise that Central Plan publicity programmes have to be assisted a great deal by similar programmes of the State Planning Boards so as to bring about increasing awareness as well as involvement of the people at appropriate levels in concentric circles. The desperate conditions prevailing in various States in the socio-economic structure as well as the persistence of the traditional attitudes are likely, in our assessment, to continue as serious obstacles to promoting the easy involvement of the people in so far as factional politics at the local level has the tendency to concentrate on caste and community lines more for the privileges to be obtained from planning rather than for the satisfactions to be derived through the vitalizing participation for a national purpose.

36.3. A significant aspect of the involvement of the people in planning at the village level, in our view, has been the absence of adequate number of energetic organisations to focus the interest of the people on planning policies and implementation based on their cooperation. The comparative lack of success attending the organisation of farmers' cooperatives, and the poor performance of agricultural credit societies for a long time during the earlier Plan periods has been a pointer towards the deeper malaise affecting the people's mind and defeating the purposes of planning. The agricultural workers continue to be backward and illiterate in spite of extension services including farmers' educational programmes and therefore, they have not, by far and large, had the requisite

¹We have not dealt with the sociological aspects in our report either in relation to social development planning or as accessory to economic planning as these required a sociological treatment specialised by institutions like the NICD, Hyderabad. The ICSSR is also directly involved in sponsoring useful studies of an interdisciplinary character. We recommend special sociological studies required to be undertaken under their auspices to highlight the potentialities of participation of workers in national planning endeavours at the factory and village levels.

level of understanding about planning measures. The rural based industrial worker continues to be influenced, substantially, by the same background. The village youth have had practically no organisation for the best part of the last two decades in most of the larger States, while either trade unionism amongst the agricultural labour or the affiliated bodies of political parties have hardly made itself felt. In these circumstances, we are of the view that participation of the working classes in both industry and agriculture significantly has meant no proper involvement of the labour force in planning. While we are convinced that the percolation of ideas and directives from the top to the bottom, as has been hitherto the practice, will be modified by the effective introduction of multi-level planning, we are, all the same, of the view that the active involvement in the formulation and implementation of Plans of the common people at the local level would be the only effective means of ensuring continued involvement. We recommend that the entire machinery as well as methodologies of Plan publicity should be suitably adjusted in an imaginative manner, to purposefully radiate the awareness about planning on the largest possible scale, utilising, at the same time, the existing institutions and organisations of the people to a greater extent than hitherto.

(b) Participation of Workers' Organisations in Planning at Various Levels

36.4. We are confident that the notable success in several countries abroad achieved by workers' organisations in planning processes would be readily conceded. We recognise the fact that the spirit of partnership essential for the collective pursuit of identical aims is instilled in a far easier way among occupational and social groups that have the framework of an organisation. Employers' organisations as well as workers' organisations in capitalistic as well as socialistic countries have been drawn into the planning process to a greater extent than in India at any time. We appreciate the fact that while the trade union movements in most countries have been conditioned by the socio-political climate prevailing at any particular period, they have effectively, been instrumental in bringing about desirable changes in socio-political conditions, as well. The history of the trade union movements illustrates this fact in ample measure and we do not propose to comment on the same or draw any parallels with India. However, we would like to observe that in spite of the fact that industrial management in the country has accepted the principle of participation of labour in its ranks, particularly, in the present context, the professions of good faith on this score as well as the promises made at various times, have not been carried out so far. While participation of organisations of trade unions has been acceded to in certain important forums that usually discuss and decide Government policies such as Development Councils, we feel that this would have a relatively lesser impact in workers' participation in planning unless workers themselves have a share in management of industrial undertakings. It appears to us as quite appropriate that this process of associating trade unions should be applied at the plant level in respect of some aspects of personnel policies such as recruitment, transfers, promotions, job assignments involving either reduction or enlargement of employment. Examples of notable successes achieved in this respect in countries such as the Soviet Union, and other socialistic countries bear witness to the fact that even in centralised planning, the participation of workers is of utmost importance in the fulfilment of the production targets that is so much linked up with economic growth. Similarly, the experience in past of participation of trade unions in the higher levels of policy formulation on income

and wages as prevalent in Scandinavian countries, Belgium, Holland, West Germany, Yugoslavia, etc., would point the advantages of associating workers' organisations in national planning matters. We strongly recommend, therefore, that the issues relating to the participation of labour in management should receive fresh consideration of the Government during the Fifth Plan period, keeping in view the current aspirations of the working classes. In this respect, we recommend that the importance of workers' education should receive national recognition and that active steps should be taken to promote adult education alongside, among the workers so as to reorient their attitudes and outlook towards their avocations and create thereby, a cadre of trained workers who are knowledgeable about all aspects of the industry concerned. This is likely in our view to increase productivity in the industry and ensure the commitment to national programmes for raising output, avoiding strikes, lock-outs etc. We have elsewhere recommended that industrial housing should receive greater priority in the coming years alongside social housing schemes so as to give tangible proof of the managements' willingness to improve the workers' lot.

36.5. We are convinced that according as Indian planning grapples progressively with the local realities there would emerge the need for balancing the considerations of the labour saving advantages of mechanisation with these of the need for assuaging the acerbities of back-breaking toil in a number of manual operations performed by the labour force. In this respect we are of the view that the provision of improved varieties of tools to perform their job by the Bhangis and others in both urban and rural areas should receive priority so as to resuscitate their self respect and dignity as Indian citizens. We consider further that they should be oriented to the use of these tools and accessories. The unthinking hostility evinced in the matter of the introduction of technology is likely to be replaced by proper understanding of the purpose of introducing mechanical devices for handling material and this can in our view, result only through the conscious and coordinated promotion of participation of workers. We recommend that this aspect should engage the attention of the Ministry of Labour with the cooperation of the academics so that the entire psychology of opposition to the introduction of mechanical implements under Indian conditions should receive attention at their hands and smoothen the process of mechanisation while maintaining or even increasing levels of employment. Since modern technology including automation is not an unmixed blessing, we would also like to draw the attention of the Committee to the recommendations contained in the Report of the Committee on Automation, (1972) appointed by the Ministry of Labour, in respect of the selective use and application of the modern technology, automation and mechanisation.

APPENDICES



सत्यमेव जयते



सत्यमेव जयते

LIST OF APPENDICES

APPENDIX	I	Questionnaire on Basic Issues issued by the Working Group on the Plan.
APPENDIX	II	List of Economists to whom Questionnaire on Basic Issues was sent.
APPENDIX	III	List of Experts specially invited by the Working Group on the Plan or discussions and exchange of views.
APPENDIX	IV	Questionnaire—I Issued by the Committee on Unemployment.
APPENDIX	V	Questionnaire—II Issued by the Committee on Unemployment.
APPENDIX	VI	List of Persons with whom discussions were held by the working Group on the Plan during the course of its visits to the States.
APPENDIX	VII	Employment and Investment during Five Year Plans.
APPENDIX	VIII	Statement showing the norms of Employment in man-years-per-crore of Total expenditure in the Construction Phase.
APPENDIX	IX	Additional Employment for next 3—4 years.
APPENDIX	X	Indian Scientific and Technical Personnel Abroad (estimated for 1970).
APPENDIX	XI	Percentages of Unemployment among Graduates and Post-Graduates as per Special Census Enumeration, 1971.
APPENDIX	XII	Stock of Personnel in early 1971.
APPENDIX	XIII	Estimated Unemployment in early 1971.
APPENDIX	XIV	Percentage distribution of Unemployed Engineers in Sub-fields compared with that in Stock.
APPENDIX	XV	Percentage distribution of Unemployed Post-graduates in Arts, by Sub-fields.
APPENDIX	XVI	Percentage distribution of Unemployed Post-graduates Scientists in Sub-fields compared with that in Stock.
APPENDIX	XVII	Economics of 3 Acre (Irrigated/Assured rainfall) or 5 Acre Dry operational holding cultivated under High Yielding/Local varieties.
APPENDIX	XVIII	Operational and Ownership Holdings below 3 Acres and 5 Acres.
APPENDIX	XIX	Economics of the Crop Sharer under existing Law in Bihar and Madras.
APPENDIX	XX	Percentage Distribution of Cultivation Household (H) and Cultivated Area (a) by interest in land in rural area—(1961 Census—Household Schedule B—XI).
APPENDIX	XXI	Estimates of Production of Foodgrains in 1970-71 from Irrigated Areas.
APPENDIX	XXII	Requirement of Man-days in Agriculture.
APPENDIX	XXIII	Targets and Anticipated Achievements—Agriculture and Allied Programmes.
APPENDIX	XXIV	Crash Scheme for Rural Employment in Kerala.
APPENDIX	XXV	A Note on Crash Scheme for Rural Employment in Andhra Pradesh.
APPENDIX	XXVI	Drought Prone Areas Programme; Progress of Expenditure during 1970-71 and 1971-72.
APPENDIX	XXVII	Area operated under Tenancy.
APPENDIX	XXVIII	Irrigation Pump Sets/Tube Wells Energised.

APPENDIX	XXIX	State-wise Abstract of Schemes sanctioned by Rural Electrification Corporation as on 31st August 1972.
APPENDIX	XXX	Villages Electrified.
APPENDIX	XXXI	Finding of the State Transport Authorities—Andhra Pradesh, Haryana, Maharashtra and Tamil Nadu.
APPENDIX	XXXII	Hospital and Medical Care Estimates and Projections.
APPENDIX	XXXIII	Progress under the Social Housing Schemes upto December, 1971.
APPENDIX	XXXIV	Building Materials Requirement and Availability in Fifth Plan.
APPENDIX	XXXV	List of Districts in which the proportion of Scheduled Castes and Scheduled Tribes is more than 33 per cent to the total population of the District.
APPENDIX	XXXVI	State-wise Bhoodan Land and Gramdan Villages (upto 31st March, 1967).
APPENDIX	XXXVII	A scheme for the Organisation of Block Level Village Artisans (Balutaders') Multi-purpose Cooperative Societies in Maharashtra.
APPENDIX	XXXVIII	Industry-wise Production, Sale, Employment and Earnings for the Year 1969-70 Khadi and Village Industries.
APPENDIX	XXXIX	Estimated Per Capita Consumption of Different Sections of Rural and Urban Populations in 1980-81 (At 1968-69 prices) in accordance with the Plan Perspective.
APPENDIX	XL	Central and State Schemes.
APPENDIX	XLI	Plan Outlays and Expenditure State-Wise and Employment General tion.



Expert Committee on Unemployment Working Group on the Plan

Questionnaire on basic issues

1. What are your views about the need for physical planning versus financial planning for India to cope up with the growth in unemployment in spite of our planning processes?
2. What are your views on raising resources to meet additional expenditure on the Plan? Do you agree with the view that the inflation depends on what we do with the money and if so, what are your views on the need for deficit financing?
3. What are your views on perspective planning and the time horizon followed at present? Would you advocate a longer period, say, up to 2000 A.D.?
4. What are your views about the role of the private sector as well as joint sector in relation to the political structure as well as the announced policies towards the ushering in of a socialistic society?
5. Do you agree with the view that in view of the prevailing consumption, disparities, a choice of the goods to be produced has to be tailored to the needs of the people? If so, what are your views about the modifications in priorities required for industrial licensing, e.g., small car project versus transport bus, commercial vehicles, etc. to meet the needs of the public transport? What are the lines of distinction to be drawn in deciding on these priorities?
6. What are your views about the degree of mechanisation required in agriculture? Would you say that regional disparities have to be looked into in this respect and also the long-term structure of growth has to be kept in view?
7. Do you agree with the view that good deal of our scarce resources are drawn away from heavy industries for starting of industries for luxury goods?
8. Do you agree with the view that the choice of technology should be co-related with economic criteria and that there should be a balance of allocation struck between equipment and operation of capital-intensive heavy industries and of equipment for consumer industries and production of consumer-goods industries?
9. What are your views about the policies to be adopted towards labour in order to increase productivity levels? Do you agree with the view that wage rates should be syphoned for the benefit of the workers?
10. Do you agree with the view that whereas there has been a phenomenal increase in productivity in certain industries total production has not increased in them and has added to the unemployment potential?
11. What are your views about the efficiency of administrative agencies as instruments of allocation? Do you agree with the view that there should be a distinction drawn in respect of the areas where controls are required and otherwise? If so, what are your views?
12. What are your views about the problem of having to raise productivity levels and maintain at the same time high levels of production in respect of items like coal, steel and small-scale industry production?
13. Would you agree with the view that the economic growth and distribution system should receive consideration at the same time so that they do not conflict?
14. What are your views about the scope of increasing employment through growth centres and by the starting of small-scale industries therein?
15. Do you feel that the Directive Principles, regarding concentration of economic power have been fully met by the Monopoly Commission? If not, what are your views on this?

16. In regard to education, what are your views about the distinction between formal and functional education? Do you agree that there is need to increase the quality of primary education to make itself felt of employment?

17. What are your views about the Centre/State relations in relation to regional imbalances? What steps do you suggest to meet the situation in relation to generating employment. Should there be an employment strategy that takes into consideration important Centre/State relations and if so, on what lines?

18. What are your views about the role that public sector can play in relation to employment? Should it concentrate on profit maximisation or efficiency in performance?

19. What are your views about the starting of export-oriented industries in relation to employment generation? What is the extent to which employment should be kept in view in particular industries?

20. What are your views about improving the administrative structure under the plan with the goal of employment generation in view?

21. From your experience, how far would you recommend a larger outlay on investigations for long-gestation projects such as hydro-electric schemes, etc.? Would you agree with the view that crash programme in agriculture has not taken off the ground on account of the lack of such an investigation in advance? What are the possibilities of the techno-economic surveys conducted by the NCAER for being utilised for this purpose?



List of Economists to whom Questionnaire on basic issues was sent

1. Dr. A. M. Khusro,
Director,
Institute of Economic Growth,
University Enclave,
Delhi.
2. Prof. K. A. Naqvi,
Head of the Deptt. of
Economics, Centre of
Advanced Studies,
University of Delhi,
Delhi.
3. Prof. K. N. Raj,
Pothiyannam Gardens,
Pothiyannam Lane,
Kunarapuram,
Trivandrum-1.
4. Dr. R. Mehrotra,
Head of Deptt. of Commerce,
Dibrugarh University,
Dibrugarh (ASSAM).
5. Shri S. K. Bhattacharya,
Head of the Deptt. of Economics,
University College of Arts,
564, Barackpore Trunk Road,
Calcutta-50.
6. Dr. K. Mukherjee,
Prof. & Head of the
Deptt. of Commerce,
University College of Arts &
Commerce, Ashutosh Building,
Calcutta.
7. Dr. Amlan Datta,
18/1, B. T. Road,
Calcutta-56.
8. Dr. S. S. Kahlon,
Prof. & Head of the Deptt. of
Economics & Sociology,
Punjab Agricultural University,
Ludhiana.
9. Dr. Balwant Reddy,
Administrative Staff College
of India, Bella Vista, P.B. No. 4,
Hyderabad.
10. Dr. V. Shanmuga Sundaram,
Ezhillegam, Madras-5.
11. Thiru N. Mahalingam,
State Planning Commissioner,
Madras-5.
12. Dr. Malcom S. Adiseshaiah,
State Planning Commission,
Madras.

13. Dr. B. Natarajan,
State Planning Commission,
Madras.
14. Dr. Bright Singh,
State Planning Commission,
Madras.
15. Dr. D. M. Nanjundappa,
Prof. & Head of the Deptt. of
Economics,
Karnatak University,
Dharwar-3.
16. Prof. Diwakar Jha,
Head of the Deptt. of Economics,
Patna University,
Patna.
17. Dr. Kedar Nath Prasad,
Head of the Deptt. of Economics,
Patna College,
Patna.
18. Prof. S. K. Bose,
Head of the Deptt. of Economics,
B. N. College,
Patna.
19. Dr. G. P. Sinha,
Head of the Deptt. of Labour & Social Welfare,
Patna University,
Patna.
20. Dr. Pradhan Harishanker Prasad,
Head of the Deptt. of Economics,
A. N. Sinha Institute of Social Studies,
Patna.
21. Prof. Naradeshwar Jha,
Head of the Deptt. of Economics,
Bhagalpur University,
Bhagalpur.
22. Dr. R. N. Tripathi,
Head of the Deptt. of Economics,
Ranchi University,
Ranchi.
23. Director of Employment & Training,
Madras.
24. Dr. Waheeduddin Khan,
Director (Economics),
National Institute of Community Development,
Hyderabad.
25. Dr. P. K. Gopala Krishnan,
Additional Secretary (Planning),
Planning & Economic Affairs Deptt.,
Government of Kerala,
Trivandrum.
26. Shri V. K. Srinivasan, IAS,
Deputy Secretary to Government,
Planning & Coop. Department,
Government of Andhra Pradesh,
Hyderabad.

*List of Experts Specially Invited by the Working Group on Plan for Discussions
And Exchange of Views*

1. Dr. L. S. Chandrakant,
Educational Adviser (Tech),
Ministry of Education & Social Welfare,
New Delhi.
2. Shri D. V. Narasimhan,
Deputy Educational Adviser (Tech),
Ministry of Education & Social Welfare,
New Delhi.
3. Shri V. K. Malik,
Director (Credit),
Department of Agriculture,
New Delhi.
4. Shri D. P. Nayar,
Senior Specialist (Edu.),
Planning Commission,
New Delhi.
5. Shri T. R. Doss,
Director of Technical Education,
Andhra Pradesh, Hyderabad.
6. Col. S. G. Pendse,
Director of Training,
D.G.E.T., New Delhi.
7. Dr. C. V. S. Ratnam,
Managing Director,
National Research Development,
Corporation of India,
New Delhi.
8. Shri K. Venkataraman,
Director,
Ministry of Industrial Development,
New Delhi.
9. Shri P. Chentsal Rao,
Joint Secretary-General,
Federation of Indian Chamber of Commerce and Industry,
New Delhi.
10. Shri P. M. Mathai,
Director,
Office of Development Commissioner,
Small Scale Industries,
Ministry of Industrial Development,
New Delhi.
11. Dr. J. N. Sinha,
Senior Fellow,
Institute of Economic Growth,
Delhi.
12. Shri K. S. Sundera Rajan,
Financial Commissioner,
Indian Railways,
New Delhi.

13. Shri Kartik Prasad,
Additional Director General (Bridges),
Ministry of Transport (Rd. Wing),
New Delhi.
14. Shri V. Ramanathan.
Director (Planning) Railways,
New Delhi.
15. Shri J. S. Marya,
Additional Director General (Roads),
Ministry of Transport,
New Delhi.
16. Dr. M. K. Ganguli,
Economic Adviser,
Ministry of Railways,
New Delhi.
17. Dr. N. V. A. Narasimham,
Director, Transport Research,
Ministry of Shipping & Transport,
New Delhi.
18. Shri Sat Prakash,
Joint Director (Transport).
Planning Commission,
New Delhi.
19. Shri H. C. Malhotra,
Joint Director,
Inland Water Transport,
Ministry of Shipping & Transport,
New Delhi.
20. Shri D. C. Dutta,
Joint Director,
Transport Research Division,
Ministry of Shipping & Transport,
New Delhi.
21. Shri P. P. I. Vaidyanathan,
Additional Secretary,
Department of Social Welfare.
New Delhi.
22. Shri S. K. Kaul,
O.S.D., Department of Social Welfare,
New Delhi.
23. Dr. S. L. Dhir,
Deputy Director General,
Health Welfare Services (Planning),
New Delhi.
24. Dr. S. K. Sen Gupta,
Director,
Central Bureau of Health & Intelligence.
(D.G.H.S.),
New Delhi.
25. Shri B. N. Srivastava.
Deputy Secretary,
Ministry of Health & Family Planning,
New Delhi.
26. Dr. R. Subramanian,
Chief,
Health and Family Planning Unit,
Planning Commission,
New Delhi.



27. Shri D. N. Chaudhri,
Director,
Department of Family Planning,
New Delhi.
28. Shri K. V. Natarajan,
Chief,
(Nutrition and Social Planning),
Planning Commission,
New Delhi.
29. Shri N. K. Bhatnagar,
Statistical Officer,
Department of Family Planning,
New Delhi.
30. Shri A. Prasad,
Planning Commission,
New Delhi.
31. Shri K. N. Butani,
Director,
Institute of Applied Manpower Research,
New Delhi.
32. Dr. S. P. Agarwal,
Institute of Applied Manpower Research,
New Delhi.
33. Shri A. K. Das Gupta,
Institute of Applied Manpower Research,
New Delhi.
34. Shri S. Bhoothalingam,
Director General,
N.C.A.E.R.,
New Delhi.
35. Shri I. Z. Bhatta,
Director,
N.C.A.E.R.,
New Delhi.
36. Shri S. K. Goyal,
Head,
Industrial Administration Unit,
Indian Institute of Public Administration,
New Delhi.
37. Shri A. V. Poullose,
Finance Director,
Engineers India Ltd.,
Allahabad Bank Building,
Parliament Street,
New Delhi.
38. Shri Vithal Babu,
Deputy Director General,
Market Research Division,
Indian Institute of Foreign Trade,
New Delhi.
39. Shri T. N. Srivastava,
Deputy Secretary,
Ministry of Works & Housing,
Nirman Bhavan,
New Delhi.
40. Shri C. S. Gupte,
Chief Planner,
Town & Country Planning Organisation,
New Delhi.

41. Shri P. A. Raman,
Technical Director,
Rural Electrification Corporation Ltd.,
New Delhi.
42. Shri B. P. Sastry,
Project Officer,
Rural Electrification Corporation Ltd.,
New Delhi.



GOVERNMENT OF INDIA
EXPERT COMMITTEE ON UNEMPLOYMENT
VIGYAN BHAVAN ANNEXE
New Delhi 11

Please furnish the following particulars along with each copy of your reply to the questionnaire.

1. Name and address
(Person/Union/Service Association/
organisation/State).
2. If person, please give occupation or profession.
3. Please indicate the region/area/district with reference to which
your reply is generally furnished.

QUESTIONNAIRE I

(Note.—For questions marked with an asterisk kindly see Annexure
for Explanatory Notes.)

I. GENERAL

1. (a) What are the main causes for increase in the number of the unemployed in the country? Please indicate in order of priority the various factors to which such increase may be ascribed such as the following:

- (i) growth of population;
- (ii) slow progress and imbalance in economic growth and development;
- (iii) the lacuna in the planning, training and utilisation of the manpower resources of the country;
- (iv) the social and economic structure.

(b) Are there any peculiar features/special circumstances which are affecting the employment position in a particular segment of the population or in particular regions or areas of the country? In your area particularly are there any sections which are in a special way affected by unemployment? If so, please specify these sections.

2. It is stated that the substantial increase in gross national product or in the agricultural or industrial production has not benefited the weakest and the poorest sections of the community; it has, on the other hand, resulted in high incomes and job opportunities for a limited number of persons or for specified groups or sections who are placed in a more advantageous position. This indicates, *prima facie*, that the increase in the job/employment opportunities has not been adequate. Are there any aspects of the financial, fiscal and economic policies adopted which have been responsible for such a situation?

3. Do you think that there should be a national policy on employment? What should be the main features of such a policy, if any?

4. It has been stated that rapid economic development of the country and greater industrialisation will *ipso facto* create more job opportunities, will have a snowballing effect on employment opportunities, and will bring about substantial improvement in the creation of employment being taken. Do you agree with this view? Please state your reasons. If you agree, what would be your suggestions for accelerating the tempo of economic growth and industrialisation of the country for dealing with unemployment within a specified period?

5. It is stated that over the last several Plans certain priorities and norms of allocation of resources between the different sectors have been adopted which have been responsible for inadequate growth of employment opportunities, e.g. greater emphasis on basic and heavy industries (which involve the over-stimulation of capital-intensive and labour saving technology) as opposed to small scale industry and agriculture. To what extent do you agree?

6. Do you think that a great deal of unemployment in the rural sector has been due to the past neglect of agriculture including poor investment and backward technology in agriculture as also the neglect of agro-industries, small scale industries, etc. and due to other sectors e.g. the industrial and service sectors, not having registered sufficiently fast growth?

7. Do you think that our present educational system has something to do with the absence of aptitude for manual work or work involving soiling the hands?

8. Are the present social norms, standards and the existing milieu among the factors responsible for the present increase in the educated unemployed? If so, please state corrective measures that should be taken to tackle these factors.

9. Have you any other suggestions or observations of a general nature to make in relation to the problem of unemployment?

II. UNEMPLOYMENT/UNDER-EMPLOYMENT

10. To measure the size of the problem of unemployment quantitatively it is essential to adopt certain criteria for identifying 'employed', 'under-employed' and 'unemployed' persons in Indian conditions. In this connection, please indicate your views regarding the following points :

- (a) For counting a person as 'employed' what should be the criteria with reference to the following aspects:
 - (i) Time spent in gainful activity during a specific period of time.
 - (ii) Minimum earnings;
- (b) For identifying a person as 'under-employed' (which term includes a person in seasonal employment or one who is fractionally unemployed) what should be the criteria with regard to the following aspects:
 - (i) Number of days worked during a specified period;
 - (ii) Intensity of work;
 - (iii) Earnings;
- (c) What should be the criteria for classifying a person as 'unemployed' having regard to the following aspects :
 - (i) Minimum age;
 - (ii) Evidence of non-participation in economic activity and of actively seeking full-time-work.

III. FOURTH PLAN PROGRAMMES—RESHAPING OF

11. (a) What changes in the Fourth Plan programmes should be undertaken in order to make them more employment-oriented? This should be stated with reference to various sectors of development and with reference to the main types of Plan schemes :—

- (i) Schemes in the State Plans
- (ii) Centrally sponsored schemes
- (iii) Schemes in the Central Plan

What would be your specific suggestion in respect of the variation in the outlays on them? In making your suggestions please also keep in view the short term employment generation potential of these schemes.

(b) Would your suggestions be different if the long term employment generation potential were to be kept in view? If so, in what respects?

12. In what respects could the implementation of the existing Fourth Plan programmes be made more employment-oriented with due regard to their timely execution, economy and productivity?

13. (a) Do you think that more investment in the various sectors of the Plan and greater mobilisation of institutional resources therefor, can create greater job opportunities? If so what should be the order of this additional outlay and what will be the size of additional employment created thereby?

(b) In what respect can the Central Ministries assist the State Governments in formulating and implementing more employment-oriented schemes?

14. What changes in the priorities of the Plan Schemes and in the allocations of various sectors or heads of development, would you suggest in order to generate more employment? If as a result of such changes in allocations for various sectors, the overall size of the Plan is increased, how would you suggest the additional outlay should be found?

15. It has been suggested that a massive programme of construction in the rural areas including housing and other kinds of construction like roads, markets, godowns, etc. etc., including the manufacture of local building materials, like bricks, tiles, etc., an equally massive programme of housing in the urban areas and a programme of redevelopment in the metropolitan areas would generate considerable employment. What would be the size in physical terms of such a programme within the next five years? What are the impediments at present in the way of (i) construction activities in rural areas, (ii) a similar programme in the urban areas, (iii) redevelopment activity in the metropolitan areas?

16. (a) What are the various factors in the order of their importance which stand in the way of large scale housing programme in the rural areas—(i) lack of finance; (ii) lack of building materials like bricks, cement, etc.; (iii) lack of suitable developed sites; (iv) other infrastructure facilities like water supply, drainage; (v) existing rules and procedures; and (vi) psychological or any other factors?

(b) What steps would you suggest for the removal of the impediments?

(c) If a sizeable programme of rural housing is to be undertaken, what would be the order of the funds required to finance such a scheme? What will be the sources of this finance?

17. What other steps should be taken to encourage the people in rural areas and small towns to undertake housing on a large scale? What will be your suggestions in respect of your own area?

*18. Will a massive programme of the construction of roads and the improvement of rural communications including market and feeder roads generate considerable productive employment in the rural area? In this connection certain objectives of public policy have been suggested, e.g., to bring every village in a developed and agriculture area within 6.4 kms. (four miles) of metalled road and 2.5 kms. (1.5 miles) of any road. The targets for the villages in semi-developed areas and those in undeveloped and uncultivated areas are lower still, i.e., within 13 kms. (8 miles) and 19 kms. (12 miles) of a metalled road respectively. In this connection, what criteria should be adopted for the selection of the villages in developed areas which could be brought within 2.5 kms. (1.5 miles) of any road within, say, the next five years. Further, should there be any lowering of the maximum distance from any road in respect of the villages (i) in semi-developed areas, and (ii) undeveloped and uncultivable areas within the next five years? If so, what should be the targets therefor?

19. What would be the size in physical and financial terms of the programme required for achieving the targets mentioned in the preceding question? Do you think that part of the finances required should be provided by the financial institutions and, if so, what part? Should there be greater contribution by the rural bodies like the panchayats by (i) increasing the existing taxes, (ii) the levy of toll or octroi duties, (iii) compulsory levy on the areas served?

20. (a) Will an accelerated programme of rural electrification create employment opportunities of considerable size in the rural areas? What should be the size of the programme during the next five years and the outlay required for its execution?

(b) What would be your suggestions for financing such a programme?

21. Within what period of time should we aim at electrifying all the villages in the country? What would be the order of investment required for this purpose and how are the necessary resources to be found?

22. Please state in order of priority the employment potential in the rural areas of the following programmes:—(i) water supply schemes; (ii) the improvement of social services; (iii) the development of transport facilities for obtaining the optimum use of feeder and market roads and for the haulage of products of agriculture as well as of agro-processing industries. What should be the size of the programme and the financial outlay involved in these programmes during the next five years?

23. Do you think that a coordinated programme of road construction, drinking water supply and electrification in the rural areas which are essential parts of the infrastructure facilities should be undertaken in those areas where these facilities are lacking?

IV. STRATEGIES FOR EMPLOYMENT GENERATION—MEASURES— FINANCIAL, FISCAL, TECHNICAL ETC.

A. FINANCIAL AND OTHER ASSISTANCE

24. (a) The absence of adequate financial assistance and credit facilities to the self-employed including the educated unemployed desiring to become self-employed is stated to be one of the main handicaps in the way of such persons becoming self-employed. Are the existing facilities of loans, advances and commercial credit adequate? Is the allocation of greater resources from nationalised banks and other financial institutions called for this class of persons? Have the present policies and programmes of the nationalised banks etc. met adequately the current needs of such persons?

(b) Do you think that the criteria of credit worthiness and the past practices, traditions and attitudes of minds stand in the way of providing loans or credit facilities on an adequate scale to this class? What are, in your opinion, the main factors, in the order of importance, responsible for this state of affairs.

25. What steps should be taken in the matter by:

- (1) the nationalised banks and financial institutions;
- (2) the other commercial banks and agencies like cooperative banks, etc.;
- (3) the various Governments—Central and State?

26. Do you think that any of the provisions of the enactments relating to the banking institutions, namely, the Reserve Bank of India Act, the State Bank of India Act, the Banking Companies Act, etc., require to be changed with a view to liberalising credit facilities? If so, what would be your specific suggestions regarding the changes to be made?

27. (a) Please suggest specific schemes for which financial assistance in the shape of loans etc. may be given to unemployed persons desiring to become self-employed.

(b) If more loans are given to the unemployed youths for schemes of self-employment, what steps would you suggest for ensuring proper utilisation of the funds?

28. Do you think that any special programmes or schemes of assistance are needed to enable the rural youth, particularly the drop-outs from the schools, to be employed as wage earners? If so, what are your suggestions in respect of the programmes as well as the organisation needed for it?

29. What additional facilities in the following spheres should be provided to the technical personnel to enable them to become self-employed or to take up occupations involving manual work:—

- (i) Financial assistance, credit facilities;
- (ii) Availability of raw materials;
- (iii) Marketing facilities;
- (iv) Production facilities including testing and quality control, etc.
- (v) Developed sites/plots/industrial estates, etc.;
- (vi) Technical guidance.

B. INDUSTRIES

30. Would you suggest any changes in (i) the present policies and procedures in regard to industrial licensing and (ii) the other provisions of the Industries (Development and Regulation) Act (particularly those relating to substantial expansion, the production of new articles, etc.) with a view to accelerating the growth of industry and increasing the employment potential?

31. It is stated that the existing licensing policies have tended to concentrate economic power in a few industrial houses and families and have accelerated the growth of monopolies which has affected the expansion of employment opportunities. Do you suggest any changes in the Monopolies and Restrictive Trade Practices Act, with a view to expansion of employment?

*32. Do you think that the recent modification in the industrial policy have given enough incentives for more industries being set up or for their being set up in industrially backward and undeveloped regions? What more incentives or inducements should be given for the setting up of industries in such areas for the wider diffusion of industrialisation?

*33. With a view to removing regional imbalances the Planning Commission have prepared, in consultation with the Ministries concerned, a list of industrially backward districts which qualify for concessional finance from the financial institutions. They have also prepared another list of industrially backward districts and areas which qualify for Central subsidy amounting to 1/10th of the fixed capital investment of new industrial units. Have you any comments or suggestions to make in this regard?

34. Do you think that any changes are necessary in other policy measures or the legislative enactments or rules relating to industrial development, e.g., the Industrial Policy Resolution of 1956, the Companies Act, the Capital Issues (Control) Act, etc., and/or the procedures under them with a view to fostering faster industrial growth?

35. Do you think that the present list of industries reserved for the small sector is adequate? Should the list be expanded? If so, in what respects?

36. Do you think that the present facilities/incentives for the growth of small scale industries are adequate? If not, in what respect should these be liberalised?

37. Among the various factors inhibiting the growth of small scale industries are stated to be (1) lack of finance, (2) lack of raw materials, (3) lack of developed plots/industrial estates, (4) lack of production and marketing facilities, etc. What measures should be undertaken in order to remove these impediments to foster the growth of the small sector?

38. Are the existing facilities for sale provided to the small scale sector, for example, price preference of 15% for purchase by the Central Government departments adequate? If not, what more facilities or incentives would you suggest for being given to the small scale sector in the matter of purchases by Government/public sector undertakings?

39. Should in your view, the financing facilities given for the small scale sector be extended and the terms and conditions of financial assistance liberalised? Do you suggest any changes in the organisational set-up or structure of institutions, both administrative and financial, in order to achieve this objective?

40. Do you think that existing financial institutions, banks etc. are adequately serving the needs of finance of the small scale industry? What measures for the greater flow of funds to this sector would you suggest?

41. (a) Is there, in your view, a need for establishing an apex financial institutions like a small Scale Industries Finance Corporation? If so, please give reasons.

(b) Is there any need for the creation of a suitable agency at the regional/district level for providing assistance towards equity capital or capital for fixed investment for the small scale sector?

42. What measures should, in your view, be taken to deal with the existing deficiencies of goods produced by the small scale sector, like unevenness of quality, low

standard of performance lack of conformity to standards or specification etc.? What measures should be taken to improve these including facilities and assistance for such units to improve their quality, standards and marketability?

43. Do you think that measures should be taken to ensure that large scale industries obtain their requirements of components, spares, sub-assemblies and even assemblies from the small scale sector?

44. What distribution of the areas of production would you suggest between the large scale sector and the small scale sector?

45. (a) In what respects are delays/difficulties being caused by the administrative methods and procedures at (1) the Centre (2) the State and (3) the district level? What steps should be taken to ensure speedy disposal of all matters relating to the small scale industry?

(b) Do you think that any special organisation is needed at the district or at lower levels for organising and promoting the marketing of products of rural industries including those of the unorganised sector like village industries, handicrafts, handloom etc.? Give an outline of the structure of such an organisation.

C. AGRICULTURE

46. (a) What measures would you suggest for providing employment to the landless labour, people with small holdings, and marginal farmers so as to make them viable in agriculture and allied occupations like animal husbandry, poultry, fisheries, etc.?

(b) What would be your specific suggestions for giving employment to such persons in the rural areas in non-agricultural occupations, e.g. industries, transportation, construction, services, etc., either as self-employed persons or as workers?

47. It has been suggested that one way of giving gainful employment to such persons (i.e. those with uneconomic holdings or landless persons etc.) is to distribute the land becoming available after the enforcement of the legislation relating to ceilings. How far will this help, in your view, to solve the unemployment problem of such persons?

48. It has been suggested that the land reforms legislation of the States involving, *inter alia*, the abolition of intermediaries, ensuring the security of tenure, the prescription of ceilings and the consolidation of holdings contributes to higher employment potential in agriculture, through higher agricultural growth. What measures, if any, would you suggest for more effective enforcement of this legislation for achieving this objective?

49. (a) What has been the impact of the new agricultural technology on the rural employment, under-employment and the shift in the pattern of agricultural activities?

(b) Opportunities for additional employment from agriculture vary, depending on agro-climatic conditions, the availability of water, cropping patterns etc. in the context of the recent agricultural technology. What are, in your opinion, the steps necessary for accelerating this process and for increasing employment opportunities in both agricultural areas with assured irrigation and those in the rain-fed areas? What is the additional investment necessary for this purpose during the next five years?

50. (a) What has been the extent of additional employment created by the new agricultural technology (i) in the secondary sector and (ii) in the tertiary sector? What will, in your opinion, be the order of additional employment to be created by the extension of this technology in these sectors during the next five years? What other supporting measures should be taken by way of a faster growth of infrastructure in the rural areas, for instance, the provision of electricity, water, roads, transportation, etc. for securing the optimum results in these sectors?

(b) What economic and other incentives need to be provided for motivating the farmer to adopt new agricultural practices with a view to accelerating the growth in agriculture?

51. What would be your suggestions for generating employment in (i) dry farming, (ii) up-land farming, and (iii) farming in the hilly areas?

52. What kind of technology and machinery would be feasible for this country without affecting the quantum of employment in agriculture? What has been the impact of the growing use of agricultural machinery on the employment situation? Do you think that the more extensive use of tractors, harvesters, threshers, etc. should be restricted and only selective mechanisation permitted? What should be the nature of restrictions in areas with different labour supply situations?

53. Has the new agricultural technology by and large by-passed the weaker sections of the community in rural areas, viz. small farmers, marginal farmers, agricultural labourers and farmers in the unirrigated/drought-affected areas? If so, what practical measures for bringing the benefits of the new technology to such sections would you suggest?

*54. Government have undertaken a number of schemes with a view to alleviating the prevailing conditions of unemployment and under-employment in rural areas. Notable among these schemes are following:

- (1) Scheme in respect of Small Farmers Development Agencies (SFDA)
- (2) Scheme for Marginal Farmers and Agricultural Labourers (MFAL)
- (3) Schemes of dry farming under Integrated Dry-land Agricultural Development
- (4) Agro-Service Centres
- (5) Rural Works in chronically drought affected areas
- (6) The Crash Programme for Rural Employment.

What are your views regarding their (i) coverage (ii) structure (iii) financial outlays (iv) the improvement in their implementation at the district and block levels and (v) their expansion and employment potential during the next five years? How should these programmes be integrated *inter se* as also with the general development programme of the area?

55. During the execution or implementation of the programmes mentioned in Question 54 a considerable amount of employment will be generated. The size of this employment will, however, decline in the post-execution/implementation stage and the extent of direct employment on the maintenance of these works will be limited. What remedial measures would you suggest for dealing with the situation which may arise?

56. There may be regions or areas in a State some of which are surplus in agricultural labour while in others such labour is in short supply. Does this phenomenon affect agricultural operations or productivity in agriculture? What remedial measures would you suggest? Will more inter-regional/inter-district migration of labour provide a solution to this? Should any steps be taken to encourage this?

57. (a) What other measures should, in your view, be taken for developing services like marketing, storage and other allied services like transportation so that the producer gets remunerative prices for his products without exploitation by intermediaries?

(b) In areas where the cooperative system is weak and ineffective, what remedial measures should be taken or organisational/structural changes made to improve the marketing of agricultural commodities, leading in its turn to better and more employment?

58. What is the scope for additional employment in rural areas through the development of animal husbandry, poultry and piggery, particularly for the benefit of the landless and backward classes?

59. What is the scope for additional employment in fisheries, both inland and marine? What type of steps are necessary to create employment potential in this field?

60. What is the scope for additional employment in forestry?

D. MISCELLANEOUS

61. Do you think that the present objective of the national Family Planning Programme to bring down the birth rate of 25 per thousand within next 8 to 10 years is adequate or should this programme be accelerated and intensified? What should, in your opinion, be the target and by what date should it be achieved?

62. Would you consider that any changes in the existing labour legislation including that relating to wages are necessary with a view to promoting employment expansion, removing distinctives to the employment of labour and discouraging the increasing use of labour saving equipment?

63. What are the industries or individual units in a particular industry where the installed capacity is not fully utilised for one reason or the other? What is the extent of such under-utilisation in such industries or these units? What practical measures would you suggest for better or fuller utilisation of the capacity so that more employment may be generated?

64. (a) Should overtime working be done away with/reduced in order to generate more employment?

(b) What are the other implications of doing away with/reducing overtime in industrial units, commercial establishments and in public utilities, public offices etc.?

65. Will it be more conducive to employment expansion as well as more economic and less time-consuming if instead of putting up new units/additional facilities, the existing units are made to work more shifts than at present? Are there other implications such as adverse effect on the health of workers, the payment of higher wages, the faster wear and tear of machinery etc. if multiple shift is resorted to on an extensive scale or is made obligatory in selected areas or industries?

66. Will a reduction in the average working hours of industries either by reducing the overtime or by cutting down the standard hours of work per week lead to an increase in the total quantum of employment? What would be your views with regard to the standard working week, having regard to the totality of circumstances?

67. It is stated that for more employment generation the pace of industrialisation will have to be accelerated which will require greater capital and current input requirements, for example, import of more industrial raw materials, intermediates, components and spares, the installation of more sophisticated machinery etc. This can be done by a sustained increase in the earning of more foreign exchange for which the exports, particularly of manufactured and finished goods would have to be steadily expanded, exportable surpluses created and an active policy of import substitution adopted. What practical steps should, in your view, be taken for a much faster growth and development of the country's exports?

68. Do you consider that in respect of export industries which are highly competitive in the international markets, the most modern technologies should be adopted in order to keep production cost in line? Will it be feasible to adopt two technologies side by side in the same industry, i.e. a modern technology for the export sector and an intermediate technology for the units catering to the domestic market?

V. EDUCATED UNEMPLOYED

69. What, in your view, are the reasons for the problem of unemployment being so acute among the educated, and particularly among the technical personnel? What remedial measures would you suggest?

70. There is a certain imbalance at present between the supply of the educated and the technical personnel and the demand for them. What measures would you suggest for removing this?

71. (a) What programmes/facilities for training related as closely as possible to present and future opportunities should be provided at an early stage so as to discourage unnecessary drift towards universities and institutions of higher learning?

(b) Do you think that it will be desirable to adopt a rational system for selecting students for entry to (i) universities and institutions of higher learning; (ii) higher

technical institutes and colleges like the IITs, engineering colleges, medical colleges, etc.; (iii) university classes? What would be your specific suggestions in respect of such a system?

(c) Should the system mentioned above be applied uniformly or whether certain relaxations or flexibility should be allowed in its application to certain sections like (i) females, (ii) backward classes, and (iii) backward and undeveloped areas?

72. (a) What measures should, in your view, be adopted to step up the rate of adult literacy/primary education which have registered a slow growth?

(b) What should be the target of literacy within the next 10 years and what steps should be taken to achieve the target? What will be the scope for creating additional jobs thereby?

*(c) How much employment will be generated if free and compulsory education as laid down in the Directive Principles of the Constitution is introduced?

73. Is it correct that our educational system as a whole has too much academic and literary bias? What steps should be taken to make the system less academic and literary in bias so as to increase the employability of educated persons?

74. Please state whether in your opinion the public policy in regard to recruitment to public services should be changed with a view to removing the present emphasis on the possession of a university/technical degree for jobs for which such degree is not necessary.

75. Do you consider that if the present age of recruitment for entry to the services like subordinate/executive and clerical posts is lowered, the existing pressure on the universities/technical colleges will decrease with consequent beneficial effect on the number of the educated unemployed? If so, what are your specific suggestions?

76. (a) Do you think that an extensive programme of vocational guidance or career advice should be established or improved to provide advisory services and supporting technical services to the educated unemployed who are looking for job opportunities?

(b) Would you suggest planned programmes of vocational training to impart employable skills to the educated unemployed including in-plant training/upgrading of the existing training to qualify such persons for jobs of higher skill and responsibility?

(c) Would you suggest any special training programmes, in particular, for the rural youth, particularly school leavers with a view to increasing their employability for further training?

*77. Government have recently introduced a number of schemes for providing assistance/training to the educated unemployed and unemployed technical personnel:

(1) The scheme of the Ministry of Industrial Development for training of technical personnel for entrepreneurship;

(2) Apprenticeship Scheme of the Ministry of Labour;

Please give your assessment of the coverage and extent of the schemes and of their impact on the employment of such personnel. What suggestions would you make for the extension of their coverage and for more effective implementation thereof?

78. (a) What steps should be taken to encourage the technical and engineering graduates and diploma holders to go in for self-employment or to take up occupations involving manual work?

(b) Do you consider that any special programmes of training or upgrading of the existing training should be undertaken to qualify such persons with appropriate potential as entrepreneurs managers, supervisors, etc.? If so, indicate the broad outlines of such schemes.

VI. MACHINERY AT THE CENTRAL AND STATE LEVELS

79. Does any machinery exist at the Central/State Government levels to watch constantly the situation and make appraisal of the changing pattern of employment and manpower and assessment of the long term perspective? What kind of organisation would you suggest (a) at the Central level, (b) at the State level, and (c) the regional and district level, if any?

80. What would be the outlines of the organisational structure of such machinery?

81. Is such a machinery necessary? What will be its functions and responsibilities? What measures of liaison with the existing employment agencies would you suggest?

82. The present employment agencies/exchanges are the responsibility of State Governments. What role would you assign to the Central Government/State Governments respectively in the proposed machinery?



EXPLANATORY NOTES

(The numbers given in the margin refer to the question numbers in Questionnaire I)

I. GENERAL

18. RURAL ROADS

A Road Development Plan (1961-1981) was framed by the Chief Engineers in order to meet the needs of the country for a period of 20 years from the commencement of the Third Five Year Plan and presented to the Government of India in 1958. It was observed in the Plan that the future road pattern of the country should give due attention not only to urban areas but also to rural areas. Since in rural areas, it will not be possible to serve every small village individually, it would be desirable to adopt a system of grouping villages, a minimum aggregate population of about 5 thousand being taken as workable unit. The objective in this Plan was to bring every village:

- (i) in a developed and agricultural area within 4 miles of a metalled road and 1.5 miles of any road;
- (ii) in a semi-developed area within 8 miles of a metalled road and 3 miles of any road; and
- (iii) in an undeveloped and uncultivable area within 12 miles of a metalled road and 5 miles of any road.

2. The matter was reviewed by the Committee on Rural Roads (Ministry of Transport and Shipping, Government of India) in April, 1968. The Committee expressed a feeling of disappointment in respect of rural roads and observed that the net-work of rural roads should be much bigger than that of the rest of the higher types of roads. A developed country has a ratio of 10 to 1 for rural and other roads whereas semi-developed countries can have a ratio of 5 to 1. The Committee estimated that with the achievement of the targets shown in the Chief-Engineers 20 year (1961-81) Plan, the country will have a ratio of 1.6 to 1. The Committee recommended that the development targets suggested by the Chief Engineers in their 20 year Plan should be followed and these targets be achieved by about 1989.

IV. STRATEGIES FOR EMPLOYMENT GENERATION

32. INDUSTRIAL POLICY

The recent modifications in the industrial licencing policy are contained in Government's Press Note of 18th February, 1970 and Notifications dated 19th February, 1970 and 28th February, 1970 and subsequent orders, the salient features of which are as follows:—

- (i) There would be a list of 'core' industries consisting of basic, critical and strategic industries in the economy. Detailed industry plans will be prepared for these industries and essential inputs made available on a priority basis.
- (ii) Such of the industries in the 'core' list as are included in Schedule-A of the Industries Policy Resolution, 1956 (as amended from time to time) will continue to be reserved for the public sector. In addition to the core sector, all new investment proposition of over Rs. 5 crores shall be deemed to be in the 'heavy investment' sector. Undertakings belonging to the Larger Industrial Houses, as defined in the report of the Industrial Licensing Policy Committee, together with foreign concerns and subsidiaries or branches of foreign companies, would be expected to participate in and contribute to the establishment of industries mainly in the core and heavy investment sectors, except for the industries reserved for the public sector, leaving the opportunities in the remaining sectors primarily to other classes of entrepreneurs.
- (iii) In the middle sector, involving investments ranging from Rs. 1 crores to 5 crores, licence applications of parties other than the Larger Industrial Houses

shall be given special consideration and licences shall be issued liberally except where foreign exchange implications necessitate careful scrutiny. Licence applications from undertakings belonging to or controlled by the Larger Industrial Groups and foreign branches subsidiaries, shall be considered for normal expansion, where such expansion is necessary for development of a minimum economic level and cost efficiency.

- (iv) The criteria for classification of undertakings belonging to the larger Industrial Houses as evolved by the Industrial Licensing Policy Inquiry Committee and stated in para 2.16 of its report have been accepted.
- (v) The policy of reservation for the small scale sector (involving investment in machinery and equipment upto Rs. 7.5 lakhs) will be continued and the area of such reservation will be expanded.
- (vi) In respect of agro-industries, particularly units processing sugar cane, jute etc., preference will be given in licensing to the cooperative sector.
- (vii) The exemption limit from licensing provisions including licensing of new undertakings and substantial expansion of existing units has been raised from Rs. 25 lakhs to Rs. 1 crore in the case of undertakings or categories of undertakings which have existing assets of less than Rs. 5 crores and which (i) do not belong to the Larger Industrial Houses (ii) do not require more than Rs. 10 lakhs or more than 10 per cent by way of foreign exchange for import of machinery and equipment, whichever is less, and do not require foreign exchange except marginally for import of raw materials, components etc., and (iii) are not included in the category of dominant undertakings, as defined in the Monopolies and Restrictive Trade Practices Act.
- (viii) Government has recognised the need for an adequate orientation of licensing policy in order to step up export efforts.
- (ix) Public financial institutions will, as part of their financial assistance arrangements, exercise option for conversion of future loans and debentures either wholly or partly into equity within a specified period of time in respect of loans above a specified amount. As regards the past loans and debentures, the financial institution concerned will have discretion to negotiate conversion in case of default.
- (x) The public will be substantially expanded beyond the fields included in the Industrial Policy Resolution, 1956. Public financial institutions will consider applications for financial assistance for projects to be set up in the public sector on the same terms as applicable to the private parties.

33. INDUSTRIALLY BACKWARD DISTRICTS

The Planning Commission has, in consultation with the Ministries concerned, selected a number of districts (a) for concessional finance from financial institutions (which are given in Appendix I) and (b) for the 10 per cent outright grant of subsidy by the Centre as listed in Appendix II. The concessions given to the districts listed in Appendix I include:—

- (i) Lower interest rate of 7 per cent;
- (ii) Extension of the period for the repayment of the first instalment of the principal amount of the loan from the present 3 years to 5 years;
- (iii) Reduction of the normal service charges by 50%;
- (iv) Longer period of 15—20 years for the re-payment of the loan as against 10 to 12 years normally stipulated;
- (v) Reduction of the margin of security by the Industrial Finance Corporation of India and the Industrial Credit and Investment Corporation of India to 30/35 per cent.

34(1). SMALL FARMERS DEVELOPMENT AGENCIES SCHEME

The Small land holders in the country form 52 per cent of the total rural households but only 19 per cent of the cropped area is comprised in small holdings. The benefits of the new agricultural technology have largely been availed

of by the bigger farmers. Modern technology is, however, rendering even small farmers of 1-2 hectares economically viable. The Government of India have decided upon the establishment of specific projects for the benefit of the small but potentially viable farmers, with the object of making available to these farmers the inputs including credit to enable them to participate in the available technology, practise intensive agriculture and diversify their activities. The Fourth Plan provides for 46 pilot projects being set up in selected districts throughout the country. The project areas have been selected keeping in view the factors like:

- (i) adequate number of small but potentially farmers,
- (ii) infrastructure like cooperatives,
- (iii) irrigation potential, and
- (iv) compactness of area.

Each of these projects has a separate agency registered under the Societies Registration Act and functioning under the chairmanship of the Collector/Deputy Commissioner. The Main function of the agency is to identify the small but potentially viable farmers in its area of operation. The agency would assist the participating farmers in getting the necessary credit, other inputs and services required by them. The agency will not be giving credit directly but will function as a catalyst and stimulate the flow of credit from various institutional agencies. For this purpose, it will provide a risk fund to the cooperative institutions. The agency would also assist the institutions concerned with the distribution of inputs, marketing, processing and storage to enable them to build up adequate infrastructure for improving these facilities in the project areas. It will see that adequate number of custom service units are set up by agro-industries corporations and cooperatives and will also organise new cooperative societies. To enable the participants to avail of such services, the agency will provide subsidies at prescribed rates. Similar subsidies can also be given by the agency for investment in agriculture requiring heavy capital outlay as well as for setting up dairy and poultry units.

A sum of Rs. 67.5 crores has been provided in the Fourth Plan for these projects, roughly at the rate of Rs. 1.5 crores per project. It is expected that with various schemes for stimulating the development programmes in the project areas, an investment of about Rs. 200 to Rs. 275 crores would be generated in these areas.

54 (2). THE SCHEME FOR MARGINAL FARMERS AND AGRICULTURAL LABOURERS

This scheme has been devised to assist the marginal farmers and the landless agricultural labour in view of the very high priority accorded in the Fourth Plan to measures specifically designed to enable the weaker sections of the rural population to benefit from the economic development in the rural sector. Under the scheme 41 projects are being set up in selected districts throughout the country during the Fourth Plan period. In selecting the project areas a number of factors have been kept in view, for instance, predominance of agricultural labour and marginal farmers in the area, accessibility to an urban centre or consumers centre, the existence of backward and tribal areas near forest/mining centres, the availability of infrastructure of institutional agencies like the cooperatives and the compactness of the area.

For each project, there will be a separate agency registered under the Registration of Societies Act under the Chairmanship of the Collector/Deputy Commissioner. The scheme will cover marginal farmers having holdings of not more than one hectare and agricultural labourers having homestead and earning 50 per cent or more of their income from agricultural wages. In selecting the participants, efforts will be made to cover all those with holdings upto 1 acre first. These projects will cover about 20,000 families during the Fourth Plan period of which roughly two-thirds would be from the category of marginal farmers and the rest from agricultural labourers.

The task of the agency would inter alia be to (i) identify eligible marginal farmers and agricultural labourers and investigate their problems, (ii) formulate economic programmes for providing productive employment to the participants, and promote rural industries, (iii) evolve adequate institutional, financial and administrative arrangements for implementing various programmes, and (iv) to promote the creation of common facilities for production, processing, storage and marketing of

products. The main characteristic of the project is that marginal farmers and agricultural labourers would be enabled to get institutional credit facilities for undertaking various economic activities. For this purpose the agency will stimulate the flow of credit from various institutional credit agencies particularly the cooperatives. To encourage these institutions to give loans to this category of borrowers, the agency would provide grants in the shape of risk fund to the cooperatives. The agency would also assist the institutions concerned with distribution of inputs, marketing, processing and storage to enable them to build up adequate infra-structure for improving the facilities for the benefit of the participants. It would also ensure that adequate number of custom service units are set up by the Agro-Industries Corporations, Cooperatives etc., in the project area. In order to help the participants to obtain such custom services at cheaper rates the agency will give subsidy at a prescribed rate; besides a subsidy will also be available to the marginal farmers for capital investment in agriculture, animal husbandry, poultry etc.

On the average, a sum of Rs. 1 crore will be available for each project as grant from the Central Government.

54(3). SCHEMES OF DRY FARMING UNDER INTEGRATED DRY LAND AGRICULTURAL DEVELOPMENT

In the context of spreading out agricultural development, the dry land farming areas are of great importance since there are about 128 districts accounting for nearly 60 million hectares or about one half of the total net area sown which have low to medium rainfall under 11.25 mm annually and very limited irrigation facilities. At present cropping in these areas yields poor returns and involves great instability due to uncertain rainfall and lack of irrigation facilities. The break-through in agriculture achieved in irrigated and/or assured rainfall areas needs to be extended to the dry areas by integrated development of dry land agriculture.

The main components of the both research and development aspect of farming in an integrated manner are:—

- (i) Intensive research at a number of centres by the Indian Council of Agricultural Research for evolving techniques which would help to give maximum returns from the available soil and moisture resources in the dry areas.
- (ii) Practical application of the available knowledge on soil and moisture conservation practices, cultivation of drought-tolerant and short duration varieties of crops, new techniques of fertilizer application including foliar spraying, adoption of plant protection measures etc.

This programme will be taken up in 24 projects in 12 States around the main and sub-research centres of the Indian Council of Agricultural Research. The programme (with a Plan provision of Rs. 20 crores) includes consolidation of holdings, soil conservation, land shaping and development. Other measures included in the programme are improvement in tillage and soil management through deep ploughing, water-harvesting practices, addition of organic matter, soil analysis, introduction of new varieties, development of multiple cropping, popularisation of drought resistant crops and grasses, animal husbandry programmes etc.

These projects are to be taken up in compact areas of 8000 acres. In view of the special nature of the programme and weak economic standing of the farmers, subsidies are proposed to be given for inputs and some other operations at least in the initial stage. Subsidies and/or loan will be given to meet the cost of new sprinkler irrigation and of operations like water harvesting and aerial spraying. A lumpsum provision of Rs. 3 lakhs per project consisting of Rs. 2 lakhs as loan and Rs. 1 lakh as grant has been provided for animal husbandry programme including pasture development. For other inputs like special varieties of seeds, pesticides, basal and deep application of fertilizers, subsidies on tapering basis will be available while the balance will be advanced as short-term loans.

The cost of each project works out to Rs. 119 lakhs and while nine such projects were initiated during 1970-71, in subsequent years it is proposed to establish 24 projects per year.

54(4). AGRO-SERVICE CENTRES

The scheme for the establishment of Agro-Service Centres provides for assistance to the unemployed graduates and diploma-holders in Mechanical, Agricultural and

Electrical Engineering and allied fields and to graduates in Agriculture and Science with experience in industry/agriculture for establishing workshops, organising agricultural machinery, repairing and hiring facilities and other technical service like supply of spare parts, inputs etc. etc. The objects of the scheme are:

- (i) to provide self-employment opportunities to technical personnel;
- (ii) to provide on-the-farm maintenance and repair facilities for agricultural machinery and implements;
- (iii) an easily accessible source of supply for spare parts, fuel oils, lubricants and other engineering stores; and
- (iv) Supply of inputs such as fertilizers, pesticides etc.

2. The scheme of setting up Agro-Service Centres has been included for assistance under the programme of training and assistance to engineer entrepreneurs being implemented under the Ministry of Industrial Development. Special orientation training and in-service training for a period of 3 months will be provided with free board and lodging to those qualified personnel who are committed to set up workshops etc.

3. The investments for equipping these Centres will be made out of loans from the State Bank of India and other financial institutions which have liberalised credit terms for engineer-entrepreneurs. The scheme of assistance will also include the establishment of repair and maintenance workshops. In suitable cases, the entire investment, i.e., the owners' equity and working capital are eligible for loan assistance from the banks. A subsidy equal to the difference between the normal lending rate of the bank or the financial institution and 5 per cent, which is the maximum rate payable by the borrower initially under the scheme, will be given. The subsidy will be made available on all the loans by the State Bank of India, the State Finance Corporations, nationalised banks and other commercial banks. The State Government and the Agro-Industries Corporation would assist in the preparation of the schemes and their acceptance by the financial institutions for grant of loans.

4. Other assistance will include an over-riding priority by the Agro-Industries Corporation in the allotment of imported tractors and other agricultural machinery and the appointment of these Centres by the Agro-Industries Corporation as their agents for the sale of agricultural machinery and implements and also for the servicing of agricultural machinery. The State Government would promote the scheme by providing available accommodation in the industrial estates, common facility workshops, block development offices, Tehsil headquarters etc. at nominal hire charges.

5. Initially 20-30 Centres will be set up in each State. It is expected that about 5,000 Centres would be set up during the remaining years of the Fourth Plan.

54(5). RURAL WORKS PROGRAMME OF CHRONICALLY DROUGHT AFFECTED AREAS

This is a special programme with an outlay of Rs. 100 crores during the Fourth Five Year Plan period and was initiated during 1970. This programme is designed to deal with the problem of agricultural labour which is particularly acute in the drought affected areas where relief can be provided only by taking up a concerted programme of rural works with high employment potential and scope for increase in the productivity of land and labour. For implementation of this programme, 54 districts have been identified on the basis of objective criteria such as rainfall distribution, irrigation facilities, frequency of occurrence of drought etc. In these districts, planned action has been taken to formulate work scheme which would be labour intensive. These schemes will include:

- (i) Medium and minor irrigation projects.
- (ii) Soil Conservation and Afforestation.
- (iii) Village and District Roads.

2. The emphasis in the programme is on the construction of civil works of a permanent nature. For each selected district, a Master Plan has to be prepared keeping in view the objectives of the programme and potentials and needs of the

local areas. All the schemes in the Master Plan would be integrated with the on-going development programmes and will be in addition to the efforts under the normal plan. Under the scheme for every Rs. 1 crore of expenditure under the programme, employment is expected to be provided in the relevant working season of the year for about 25 thousand to 30 thousand persons.

54(6). CRASH PROGRAMME FOR RURAL EMPLOYMENT

The Crash Programme for Rural Employment is intended for the benefit of all the districts of the country and particularly the districts which are not covered under other schemes. The programme will remain in operation till the end of the Fourth Plan. This is a centrally sponsored scheme but is being implemented through the agency of State Government and Union Territories. The cost of the scheme *i.e.* about Rs. 50 crores per annum will be met entirely by the Central Government.

2. The scheme has a two-fold purpose. First, each project should provide employment for 1 thousand persons on an average continuously over a working season of 10 months in a year in every district. The figure of one thousand person is, however, not rigid and some flexibility is permitted. Second, each project should produce works or assets of a durable character in accordance with local development plan.

3. The projects should employ as far as possible persons belonging to families where no adult member is employed. Where this is not feasible, person should be selected for employment with due regard to the possibility of their finding alternative employment. The rate of wages for the persons employed in these projects shall be equal to the off-season rate for agricultural labour in the district and shall not, in any case, exceed Rs. 100 p.m. The projects are required essentially to be labour intensive like:

- (i) Road building;
- (ii) Reclamation and development of land;
- (iii) Drainage, embankments, etc.;
- (iv) Water Conservation and ground water re-charging;
- (v) Minor irrigation;
- (vi) Soil Conservation;
- (vii) Special repairs which will make the existing works durable and more useful.

4. This list is, however, illustrative and any project that is labour-intensive can be undertaken subject only to the conditions that works or assets of a durable nature are produced and these are in consonance with the local development needs. The scheme also permits some expenditure on materials, equipment etc., with the condition that their cost should not exceed 25 per cent of the cost of labour. Under the scheme, the responsibility for the maintenance of works or assets will be that of the State Governments and Union territories.

V. EDUCATED UNEMPLOYED

72(c). Article 45 of the constitution of India lays down that:

“The State shall endeavour to provide, within a period of ten years from the commencement of this constitution, for free and compulsory education for all children until they complete the age of fourteen years.”

77(1). THE SCHEME FOR THE TRAINING OF AND ASSISTANCE TO ENGINEER ENTREPRENEURS (UNDER THE MINISTRY OF INDUSTRIAL DEVELOPMENT)

A three months training programme is provided under the scheme to technically qualified personnel to help them to set up new industries. In the training programme, emphasis is laid on the various practical aspects of the setting up and running of new industries including procedural matters connected with the establishment of such industries. The training programme is broadly designed for those who are committed to starting new industries and who would require some assistance in the formulation of their projects as well as an opportunity to see at first hand some of the existing industries in the particular field.

2. The training programme is normally open to engineering graduates and diploma holders, who are for the time being without employment. In exceptional cases, science graduates with a minimum period of three years (with Physics or Chemistry as main subjects)/production experience in industry may be considered. Matriculates, however, will not be eligible for assistance under this scheme. The selection of trainees will be made by a Screening Committee at the State Level.

3. The training programme is so oriented as to enable the trainee to have the theoretical as well as practical aspects of industrial managements. He has to prepare a feasibility report on his own project during the training programme, as a proof of the fact that he has successfully undergone the training programme.

4. The training programme will be undertaken at 12 Small Industries Service Institutes (SISIs), the five Indian Institutes of Technology (IITs), and two Prototype Production-cum-Training Centres of the N.S.I.C. If necessary 4 more Centres can be opened.

FINANCIAL ASSISTANCE

5. Financial assistance will be made available only to those who have undergone the training. This assistance will be supplementary and will not supplant the normal financial assistance to be rendered by banks, the State Financial Corporations and other developmental agencies. No financial assistance will be provided in the form of equity participation under this scheme. The assistance will be in the form of a subsidy equivalent to the difference between the normal lending rate of the bank or financial institution and 5 per cent, the maximum rate payable by the borrower initially under the scheme. The period of subsidy shall be three years normally except in the areas declared as backward by the Planning Commission for the purpose of concessional finance where the period shall be 5 years. The subsidy will be made available on all the loans advanced by the State Bank of India, the State Finance Corporations, nationalised banks and other commercial banks.

6. The scheme is a Central one and is being implemented by the Central Government in cooperation with the State Government. It is expected that about 2,000 engineer entrepreneurs will be trained every year and that by the end of the Fourth Plan Period, about 6,000 such persons would have been provided with assistance under the scheme.

77(2). NATIONAL APPRENTICESHIP SCHEME

Acute shortage of labour in the skilled categories and a plethora of it in the unskilled categories is felt in many industries. Hence, the importance of apprenticeship as a source of supply of skills to the industry. The Apprentices Act, 1961 imposes an obligation on all the employers in the specified industries to engage apprentices as per ratio prescribed in the designated trades. One hundred and ninety-five industries have so far been specified as covered under the Act while 54 trades relating to engineering and non-engineering industries have been specified as designated under the Act. More trades are designated as required to meet the demand for skilled labour in different industries.

2. The minimum educational qualifications for admission under the scheme vary for the different trades. For some trades the standards are matriculation or equivalent with Mathematics and Physics whereas for some others they are two classes below Matriculation or equivalent. In the case of some trades they are even lower. A person male or female is qualified for being engaged as an apprentice if he is not less than 14 years of age and has the prescribed standards of physical fitness. Employers can recruit either freshers or passed-out trainees of Industrial Training Institutes (ITIs) as apprentice.

3. For 46 out of 54 trades the duration of training is 3 years. Some trades have, however, shorter or longer periods of training. Though the minimum rates of stipend are prescribed under the scheme, the employers are encouraged to pay higher stipends. Every apprentice who has completed the prescribed period of apprenticeship training can appear for an all-India trade test which is held twice a year. Successful apprentices are granted the National Apprenticeship Certificate which has been recognized by the Central and the State Governments.

4. It is not obligatory on the part of employer to offer any employment to the apprentice nor is it obligatory on the part of apprentice to accept an employment under the employer on successful completion of training unless it is specifically provided in the contract of apprenticeship.

5. For the promotion and implementation of the programme, 4 regional apprenticeship headquarters have been established at Kanpur, Calcutta, Bombay and Madras. By the end of the Fourth Plan, it is expected that a target of 75,000 apprentices in position will be achieved.



List of Industrially Backward Districts selected to qualify for concessional finance from the Financial Institutions (as on March 31, 1971).

<i>State</i>	<i>Districts</i>
1. Andhra Pradesh	Nalgonda, Medak, Mahbubnagar, Karimnagar, Warangal, Khammam, Chittoor, Anantapur, Kurnool and Nizamabad.
2. Assam	Goalpara, Cachar, Nowgong, Kamrup, Mikir Hills and Mizo Hills District.
3. Bihar	Santhal Parganas, Bhagalpur, Palamau, Champaran, Saran, Darbhanga, Purnea, Muzaffarpur and Saharsa.
4. Gujarat	Panchamahals, Kutch, Amreli, Broach, Sabarkantha, Banaskantha, Bhavnagar, Mehsana and Surendernagar.
5. Haryana	Mohindergarh, Hissar and Jind.
6. Himachal Pradesh	Chamba, Kinnaur, Kamgra, Kulu and Lahaul and Spiti.
7. Jammu & Kashmir	Srinagar, Anantnag, Baramula, Jammu, Kathua, Udhampur, Doda, Ladakh, Poonch and Rajouri.
8. Kerala	Alleppey, Trivandrum, Cannanore, Trichur and Malapuram.
9. Madhya Pradesh	Bastar, Mandla, Surguja, Sconi, Jhabua, Balaghat, Bilaspur, Sidhi, Betul, Raigarh, Raipur, Dhar, Tikamgarh, Rajgarh, Khargone, Shajapur, Shivpuri, Chindwara, Rewa, Panna, Dewas, Mandasaur, Chhatarpur, Guna, Datia, Morena, Vidisha, Narsimhapur, Raisen, Hoshangabad, Damoh, Bhind and Sagar.
10. Maharashtra	Bhir, Osmanabad, Bhandara, Ratnagiri, Aurangabad, Yeotmal, Chanda, Dhulia, Buldhana, Nanded, Parbhadi, Jalgaon and Golaba.
11. Meghalaya	Both the districts of United Khasi & Jaintia Hills and Garo Hills.
12. Mysore	Belgaum, Bidar, Bijapur, Dharwar, Gulbarga, Hassan, Mysore, North Kanara, Raichur, South Kanara and Tumkur.
13. Nagaland	Kohima, Mokochung and Tuensang.
14. Orissa	Bolangir, Mayurbhanj, Dhenkanal, Kalahandi, Balasore, Keonjhar, Korapur and Phulbani.
15. Punjab	Hoshiarpur, Bhatinda, Gurdaspur and Sangrur.
16. Rajasthan	Jalore, Banswara, Dungarpur, Nagaur, Churu, Alwar, Tonk, Udaipur, Jodhpur, Jhunjhunu, Sikar, Sirohi, Bhilwara, Jhalawar, Jaiselmer and Barmer.
17. Tamil Nadu	South Arcot, Thiruchirappalli, Madurai, Ramanathapuram, Kanyakumari, North Arcot Thanjavur and Dharmapuri.
18. Uttar Pradesh	Almora, Azamgarh, Bahraich, Banda, Ballia, Badaun, Chamoli, Fatehpur, Garhwal, Ghazipur, Hamirpur, Hardoi, Pilibhit, Jalaun, Jaunpur, Jhansi, Mainpuri, Pithoragarh, Pratapgarh, Rae-Bareilly, Sultanpur, Tehri, Garhwal, Unnao, Uttar Kashi, Barabanki, Basti, Bulandshar, Etah, Etawah, Shahjahanpur and Deoria.

<i>State</i>	<i>District</i>
19. West Bengal	Purulia, Bankura, Midnapur, Darjeeling, Malda, Cooch Bihar, West Dinajpur and Murshidabad.

UNION TERRITORIES

1. Andaman & Nicobar Islands. Entire area
2. Chandigarh Nil
3. Dadra & Nagar Haveli Entire area
4. Delhi Nil
5. Goa, Daman & Diu Entire area



List of Industrially Backward Districts/Areas selected to qualify for Central Subsidy amounting to one tenth of the fixed capital investment of new industrial units (as on March 31, 1971).

STATE	DISTRICTS/AREAS
1. Andhra Pradesh . . *	
2. Assam	Goalpara and Mikir Hills.
3. Gujarat	Panchmahal.
4. Bihar	Darbhangha, @
5. Haryana	Mohindergarh.
6. Himachal Pradesh . .	Kangra.
7. Jammu & Kashmir . .	Srinagar and Jammu.
8. Kerala	Alleppey.
9. Madhya Pradesh . . *	
10. Maharashtra . . .	Ratnagiri.
11. Mysore	*
12. Meghalaya	United Khasi & Jaintia Hills and Garo Hills.
13. Nagaland	Kohima and Mokokchung.
14. Orissa	Kalahandi and Mayurbhanj.
15. Punjab	Hoshiarpur.
16. Rajasthan	*
17. Tamil Nadu	*
18. Uttar Pradesh . . .	Ballia and Jhansi.
19. West Bengal	Purulia.

Union Territories

1. Andaman & Nicobar Islands . .	} Entire district excluding the area within the municipal limits of their capitals.
2. Dadra and Nagar Haveli . . .	
3. Goa, Daman and Diu	
4. Lacadiv, Minicoy and Amindive Islands.	
5. NEFA	
6. Pondicherry	
7. Tripura	
8. Manipur	The whole territory excluding the area within the municipal limits of the capitals.

* Proposals under consideration.

@ Proposals for another district under consideration.

GOVERNMENT OF INDIA
EXPERT COMMITTEE ON UNEMPLOYMENT
VIGYAN BHAVAN ANNEXE
New Delhi-11

QUESTIONNAIRE II

(To be answered only by the Ministries of the Central Government and/or by State Governments)

1. (a) What is the total number of vacancies occurring annually in the Ministries/ Departments/Organisations under the Government of India? Please indicate figures for the last five years.

(b) What proportion of these vacancies is due to (i) the normal superannuation, natural wastage, dropout, etc. of the personnel, and (ii) the increase in the number of posts.

2. (a) What is the total number of persons employed directly under the Central Government (including its sub-ordinate, field organisation) as on 1st January, 1961 and 1st January 1971 respectively? Out of them, how many were employed as casual labour?

(b) What has been the rate of growth of employment under the Central Government over the last decade? Do you think that the rate of growth is tapering off? If so, what is the reason for it?

3. (a) What was the total employment under the various sector/departmental undertakings engaged in industrial and commercial activities under the Central Government as on (i) 1st January, 1961, and (ii) 1st January 1971 respectively? Out of them how many were employed as casual or badli labour?

(b) What has been the rate of growth of employment in them during the last ten years?

4. (a) What is the total number of vacancies occurring annually under the State Government? Please indicate figures for the last five years.

(b) What proportion of these vacancies is due to (i) factors like normal superannuation, natural wastage, etc., (ii) the increase in the number of posts.

5. (a) What was the total number of persons employed directly under (1) State Government/the Local Bodies, (2) the commercial and industrial undertakings of State Governments either run as public companies or departmental undertakings as on 1st January 1961 and 1st January 1971 respectively? Out of them how many were employed as casual/badli labour under each category?

(b) What has been the rate of growth of such employment?

6. What has been the rate of expansion of employment in the organised sector? Do you think that a labour intensive and/or an intermediate technology can be adopted with a view to generating more employment?

7. In what industries/lines of commercial/business activity is there scope for adopting a more labour intensive technology so as to create more avenues of employment?

8. If the rate of growth of employment under the Government is reduced, what other avenues would you suggest for the absorption of the personnel which would have normally joined public services? In what way can they be assisted to find other avocations or avenues of employment?

9. Can the rate of growth of absorption in the commercial and industrial undertakings in the public sector be increased? Would the adoption of more labour intensive/intermediate technologies help in the process?

10. (a) What amount in each State has been given as loan by nationalised banks for self-employed persons for (a) agriculture and farming, (b) trade and business, (c) industry, and (d) other occupations from the date of the nationalisation of banks upto 31-12-1970?

(b) Is there need for the allocation of greater resources from nationalised banks and other financial institutions for loans, advances, etc. to the self-employed sector? Have the present policies of the nationalised banks and financial institutions met adequately the credit needs of (i) the self-employed, (ii) the weaker sections, and (iii) the un-employed? If not, what would be your suggestions?

11. (a) How many branches have been opened (i) by the nationalised banks since their nationalisation, and (ii) by other commercial banks during the same period? The figures may be given Statewise.

(b) What are the criteria laid down for the opening of new branches of banks in a particular area? Do you think that these criteria or the guidelines in respect of them need any modification with a view to generating more employment?

12. What changes in the Plan priorities or in the Plan Schemes and in the allocations under various sectors or heads of development would you suggest in order to generate more employment? If, as a result of such changes in allocations for various sectors, the overall size of the Plan is increased, how should the additional outlay required be found? Should it be found, in your opinion, by (i) reducing the outlay on other less essential sectors, heads of development etc., (ii) increased taxation, (iii) increased resource mobilisation like small savings, compulsory deposits, increased contribution to provident funds, larger public borrowings, etc., or (iv) the diversion of further resources from nationalised banks/financial institutions?

13. What should be the respective contributions of (i) the Central Government, (ii) the State Governments, (iii) financial institutions and nationalised banks to this increased outlay?

14. (a) What is the size of the average land holding in the State? How many holdings are uneconomic and what proportion do they bear to the total number of holdings? What is the criteria for treating a holding as uneconomic?

(b) What is the total number of persons in the State who are landless?

(c) Do you think that the problems of these two categories of the rural population, namely, people with uneconomic holdings and the landless labour call for any special treatment? What specific measures would you suggest for dealing with their problems during the next five years?

15. What would, in your view, be a feasible programme for providing additional employment opportunities in the next five years in the agricultural sector and what will be the order of investment required for this purpose? How is this investment to be financed?

16. What is the impact of the programmes referred to in Question 54 of Questionnaire I on the employment situation in the rural areas? What modifications, if any, would you suggest in their coverage, financial outlays etc. in order to make sizeable impact on the problem of unemployment and under-employment in rural areas?

17. What additional outlays under the following categories of programmes would you suggest for creating more employment opportunities in rural areas? Please state your reply with reference to specific schemes and projects:

- (i) Rural housing-construction of private houses, planning and visiting of villages, construction of other buildings like storage godowns, markets, public utilities, minor irrigation works, etc.,
- (ii) Rural communication including market and feeder roads;
- (iii) Rural electrification;
- (iv) Small scale industries, industrial estates, new industrial centres etc.

18. Should the additional programmes to be taken up for employment generation by all Centrally sponsored schemes or should they be included in the State Plans? If in the latter category, what should be the respective shares of the State Governments/Central Government in the outlay on them?

19. The enlargement of the size of the Plan and the consequent increase in the Plan outlay is likely to require a massive national effort for the mobilisation of resources. In what ways could the States generate additional resources commensurate with the requirements of the situation?

20. It has been stated that any further enhancement of the total outlay of the Fourth Plan would stretch the resources of the country to a breaking point and would, to that extent, have unhealthy repercussions on the economy and also other reactions to which our democratic set-up could not remain insensitive. Do you agree? If so, how would you reconcile the requirements of a larger outlay on Plan programmes with the need of avoiding these repercussions and reactions?

21. What steps are being taken by the State Government to bring in industries in their State or in the industrially backward/undeveloped areas of the State? Are the current incentives and facilities adequate? If not, what further facilities would you suggest on the part of (i) the Central Government, (2) State Government?

22. Do any of the present policies of the State Governments require to be modified in order to foster an accelerated growth of industries in the State, particularly in respect of (1) sales tax, (2) octroi duties, (3) urban property taxes (4) electricity/water charges, (5) acquisition of land, establishment of industrial estates, urbanised townships and other facilities, etc.? What modifications would you suggest, if any?

23. Are you satisfied with the criteria adopted for the identification of (i) industrially backward districts which would qualify for Central subsidy towards the fixed capital investment of new industrial units and (ii) similar districts which would be eligible for concessional finance from the financial institutions? What are your specific suggestions if any, in the matter?

24. (a) What is your appreciation of the working of the Family Planning Programme in your State? What is your estimate of the number of live births having been prevented during the last five years ending 31st March, 1971?

(b) It has been stated that the country has been too much concerned with methodology of birth control and not enough with effective management practices. What is your comment on this?

(c) With reference to Question No. 61 in Questionnaire I what further steps, both administrative and programmatic, should be taken to attain the objectives of the national Family Planning Programme during the next eight to ten years?

25. Should Governments (both Central & State) adopt, in your opinion, an active policy through the media of publicity and mass communication to bring about changes in the present social standards and value judgements in respect of manual work?

26. Should the entire educational system be vocationalised from the secondary stage onwards? What will be the order of the capital outlay required for providing the requisite machinery and other technological facilities for this purpose throughout the entire gamut of the secondary school system in the country? How are the requisite resources to be found?

27. (a) What has been the role of the Employment Exchanges and the employment services vis-a-vis the unemployment problem in your State? Have they in substance achieved the objectives with which they were set up? Please give your appreciation of their working.

(b) What measures, if any, would you suggest for improving their efficiency, effectiveness and purposiveness?

28. (a) What are the various programmes of vocational training currently under way under the State Government?

(b) What is the total number of persons trained under each of these schemes during the last five years? Please indicate the various trades, professions in which such persons have been employed. What is the number of such persons who are still without employment?

(c) Do you think that a new direction/reorientation should be given to the various training programmes under the employment programme in order to impart new and higher skills and occupations suited to the changing employment patterns and make the training more closely related to job opportunities? If so, please state your suggestions.

29. (a) Have the State Government launched any programmes specially designed for providing relief to the unemployed during the Third and Fourth Plan Periods?

(b) What is the number of the unemployed persons absorbed by such programmes?

30. What is the area in the State which has got the benefit of assured irrigation and what percentage does it constitute of the entire cultivated area?

31. What is the average yield in the State of wheat and paddy in respect of (i) the areas with assured irrigation and (ii) in unirrigated areas?

32. What is the total area under multiple cropping in the State and what percentage does it constitute of the total cultivated area?

33. What is the area in the State (i) directly under cultivation by the landholders or landowners and (ii) by tenants, sub-tenants, share-croppers, etc., respectively.

34. (a) What is the area of the Government wasteland in the State which is available for distribution?

(b) How much land has become available for distribution as a result of (i) the enforcement of the ceilings on land, and (ii) the Bhoodan Movement?

(c) How many acres of land have been distributed to the landless and others in the State since the enforcement of ceilings under the legislation relating to land ceilings?

35. What percentage does the reserved forest land constitute of the total area of the State?

36. What is the total acreage in the State being at present cultivated by the use of tractors? What is the total number of the tractors in use in the State and what is your estimate of the annual demand for tractors?

37. (a) How many villages have been electrified in the State upto now and what proportion do they bear to the total number of villages?

(b) What percentage of the total electric consumption in the State is utilised for (i) agricultural purposes and (ii) for industries?

38. What is the tariff rate of electricity in the State (i) for agricultural purposes and (ii) for industrial purposes? What is the principle underlying the fixing of such tariff rates?

39. What was the per capita consumption of electricity (i) in villages and (ii) in towns in the State for the year 1970 (or the latest period for which the figures may be available)? What was the corresponding figure for the years 1961 and 1966?

40. What is the per capita income and (ii) per capita consumer expenditure in the State? Please supply the information with reference to 1970 or the latest year for which the figures may be available.

41. What is the expenditure incurred by the State Government during the last five years (i) on schemes of small scale industries and (ii) on schemes of Khadi and Village Industries under the aegis of the Khadi and Village Industries Commission?

APPENDIX VI

List of Persons with whom Discussions were held by the working group on Plan during the course of its visits to the States.

<i>1(a) At Bombay (Maharashtra)</i>		<i>April 19—21, 1972</i>
1.	Shri L.G. Rajwade . . .	Chief Secretary.
2.	Dr. V.M. Joshi . . .	Finance Secretary.
3.	Shri S.E. Sukhtankar . . .	Agriculture Secretary.
4.	Shri S.V. Ranade . . .	Industries Secretary.
5.	Shri B.A. Kulkarni . . .	Irrigation & Power Secretary.
6.	Shri N.G. Abhyankar . . .	Dev. Comr. & Secy. Gen., Administration Department.
7.	Dr. A.U. Sheikh . . .	Education Secretary.
8.	Shri M.V. Rajwade . . .	Secretary, Building & Communications Department.
9.	Shri R.G. Salvi . . .	Secretary, Social Welfare.
10.	Shri Nizamuddin Ahmad . . .	Secretary, Urban Development, Public Health & Housing Deptt.
11.	Shri D.G. Kale . . .	Commr. of Labour & Director of Employment.
12.	Shri D.G. Tungare . . .	Deputy Secretary, Finance & Manpower Officer.
13.	Dr. D.J. Nandedkar . . .	Addl. Manpower Officer.
14.	Shri D.N. Murdeshwar . . .	Dy. Director, Social Welfare.
15.	Shri V.B. Solanki . . .	Dy. Director, Social Welfare.
16.	Shri Y.D. Mahajan . . .	Asstt. Director, Employment.
17.	Shri V.S. Page . . .	Chairman, Maharashtra Legislative Council.
18.	Shri U.N. Dheber . . .	} Khadi & Village Industries Commission.
19.	Shri Nalni Mehta . . .	
20.	Shri L.N. Renu . . .	
21.	Shri N.K. Bedekar . . .	
22.	Shri R.G. Saraiya . . .	Chairman, Maharashtra State Road Transport Corporation.
23.	Dr. M.L. Dantwala . . .	} Bombay University.
24.	Dr. A.R. Desai . . .	
25.	Dr. C.H. Shah . . .	
26.	Dr. Pravin M. Visaria . . .	
27.	Dr. K.S. Krishnaswami . . .	Economic Adviser, Reserve Bank of India
28.	Dr. P.D. Ojha . . .	Director, Reserve Bank of India.
29.	Shri C.M. Mariwala . . .	} Indian Merchants Chamber.
30.	Shri V.S. Shah . . .	

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| 31. | Shri J.H. Deshi | } Indian Merchants Chamber. |
| 32. | Shri S.P. Godrej | |
| 33. | Shri N.K. Somani | |
| 34. | Shri C.L. Gheewala | |
| 35. | Shri M.K. Desai | |

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| 36. | Shri S.K. Somaiya | } All India Manufacturers Organisation. |
| 37. | Prof. V.B. Kamath | |
| 38. | Dr. B.Y. Bhoota | |
| 39. | Shri Ram Agarwal | |
| 40. | Shrimati Sarayu Daftry | |
| 41. | Shri D.P. Birla | |
| 42. | Shri G.M. Parikh | |
| 43. | Shri K.S. James | |
| 44. | Shri Ajnal Divecha | |
| 45. | Shri P.L. Badani | |
| 46. | Shri Raman Patel | |

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| 47. | Shri N.S. Ghopalakrishnan | } Export Promotion Council. |
| 48. | Shri S. Vishwanath | |
| 49. | Shri J.S. Badani | |
| 50. | Shri Diou Fernandes | |

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|-----|----------------------------|------------------|
| 51. | Shri R.P. Podar | } Century Mills. |
| 52. | Shri C.R. Asrani | |
| 53. | Shri H.S. Poredi | |
| 54. | Shri S.M. Soni | |
| 55. | Shri B.R. Dange | |

56. Shri V.I. Rajput Industries Officer (P & PR).

(b) At Poona (Maharashtra)

April, 22, 1972.

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| 1. | Dr. V.M. Dandekar | Director, Gokhale Institute of Politics and Economics. |
| 2. | Dr. Nilkanth Rath | Indian School of Political Economy. |
| 3. | Shri M.S. Vartak | } Representing M/s Kirloskar. |
| 4. | Shri C.R. Bonde | |
| 5. | Shri Rahul Bajaj | Bajaj Automobiles. |
| 6. | Shri M.S. Parkhe | |
| 7. | Shri S.R. Thakur | Representing Bidi Manufacturers. |
| 8. | Shri C.V. Gole | Chairman, Institute of Engineers, Poona Branch. |
| 9. | Shri P.S. Lokagariwar | Hony. Secretary, Institute of Engineers, Poona Branch. |
| 10. | Shri B.G. Sirkhe | Engineer and Contractor (Construction). |
| 11. | Shri G.K. Shratri | Engineers. |

2. *At Madras (Tamil Nadu)**June 7 & 8, 1972.*

1. Thiru V. Kartikayan Secretary, Industries.
2. Thiru D.K. Oza Secretary, Social Welfare.
3. Thiru M.S. Ram Secretary, Transport.
4. Thiru A. Padmanabhan Secretary, PWD.
5. Thiru C.N. Raghavan Secretary, Cooperation.
6. Thiru M.M. Rajendran Secretary, Labour & Employment.
7. Thiru S. Vankiteramanan Secretary, Finance.
8. Thiru V.S. Subbiah Secretary, Housing (Special).
9. Thiru P.N. Vedanarayan Secretary, Agriculture.
10. Thiru E.C. Prabhakar Secretary, Rural Development & Local Administration.
11. Thiru H.K. Ghazi Addl. Secretary, Public.
12. Thiru P. Kandasay Addl. Secretary, Agriculture.
13. Thiru S.P. Namasivayam Chief Engineer, PWD.
14. Thiru M. Durairajan Chief Engineer, Tamil Nadu Water & Drainage Board.
15. Thiru T.V. Vasudevan Chairman Housing Board.
16. Thiru P.M. Belliappa Registrar, Cooperative Societies.
17. Thiru L.M. Vasagam Director, Employment and Training.
18. Mrs. L.D. Padalkar Director, Women's Welfare.
19. Thiru A.N. Swaminathan Managing Director, TANSI.
20. Thiru R. Pandarinathan Director of Backward Classes
21. Thiru G. Kamalrathinam Commissioner of Labour.
22. Thiru C. Ramachandran Director of Handlooms & Textiles.
23. Thiru H.M. Singh Director, State Transport.
24. Thiru C.V.S. Desigan Technical Director, Tamil Nadu Textile Corporation.
25. Thiru S.R. Jayavelu Director of Statistics.
26. Thiru S.V. Chitti Babu Director, School Education.
27. Thiru P. Sivalingam Director, Technical Education.
28. Thiru N.R. Ratnakannan Director, Medical & Health.
29. Thiru M.S. Palaniswamy Jt. Secretary, Labour and Employment.
30. Thiru V. Sundaram Dy. Secretary, Social Welfare.
31. Thiru A.K. Venkatasubramaniam Deputy Secretary, Industries.
32. Dr. Bright Singh Member, State Planning Commission.
33. Dr. Shanmugasundaram Member, State Planning Commission.
34. Thiru Ram Dass Secretary, State Planning Commission.
35. Thiru O.R. Suranarayanan Dy. Director, Collegiate Education.
36. Rev. A. Devasia S.J. . . . Professor of Economics, Loyalla College.

37. Rev. G. Chirackal S.J. Professor of Social Work, Loyalla College.
38. Prof. S. Sampath Dy. Director, Indian Institute of Technology, Madras.
39. Prof. S.K. Ekambaram Visiting Prof. of Statistics, Madras University.
40. Prof. P. Venkata Rao Head of Electric Engineering Department, I.I.T. Madras.
41. Prof. R.K. Gupta Head of the Department of Humanities & Social Science I.I.T.
42. Thiru C.V. Sethunathan Registrar, I.I.T. Madras.
43. Thiru M.A. Krishnamoorthy Jt. Director, Employment.
44. Thiru S. Balaraman Jt. Director Training.
45. Thiru A. Umamaheshwaran Asstt. Director, Employment.
46. Thiru T.T. Mani Do.
47. Thiru T. Natarajan Do.
48. Thiru P.N. Menon Do.
49. Thiru T.R. Natarajan Do.
50. Thiru K.A. Shanmughanandam Distt. Employment Officer.

3. At Trivandrum (Kerala)

April 9 & 10 1972.

1. Shri K.P.K. Menon Chief Secretary.
2. Shri P.K. Abdullah Secretary, Development Deptt.
3. Shri N. Gopakrishna Nair Secretary, Public Enterprise.
4. Shri M.S.K. Ramaswamy Secretary, Labour.
5. Shri Zakaria Mathew Secretary, Local Administration and Social Welfare.
6. Shri R. Gopalaswamy Secretary, P.W.D.
7. Shri P.K. Umashankar Secretary, School Education.
8. Shri T. Madhava Menon Special Secretary, Industries.
9. Shri P.K. Goplalakrishnan Addl. Secretary, Planning & Economic Affairs.
10. Shri R. Narayan Jt. Secretary, Planning & Economic Affairs.
11. Shrimati Sarala Gopalan Jt. Secretary, Industries.
12. Shri R. Sadasiva Panikar Jt. Secretary, Development Deptt.
13. Shri K.T. Chaudy Vice-Chairman, Planning Board and Chairman, State Industrial Development Corporation.
14. Shri M.R.C. Warriar Development Commissioner, KSIDC.
15. Shri P.J. Thomas Executive Director, KSIDC.
16. Shri P. Balachandran, M.P. Chairman, ENCOS.
17. Shri S. Sharma Vice-Chairman, ENCOS.
18. Shri K.R. Gopalakrishna Nair Secretary, ENCOS.
19. Shri P. Hariharan ENCOS.

20. Km. P.K. Thressia Chief Engr. Irrigation.
21. Shri P.V. John Chief Engr. National Highways.
22. Shri T.P. Joseph Chief Engr. Building & Roads.
23. Shri P. Bharathan Chief Engr. Projects.
24. Shri B.S.L. Panikkar Chief Evaluation Officer, State Planning Board.
25. Shri P.T. Devassy Chief Conservator of Forests.
26. Shri P.G. Sukumaran Nayar . . . Managing Director, State Cashew Development Corporation.
27. Shri K.C. Sankaranarayanan . . . Agriculture Production Commissioner.
28. Shri Philipose Thomas Director, Dairy Development.
29. Shri K.V. Rabindran Nair Director of Industries.
30. Shri S. Gopalan Labour Commissioner.
31. Shri P. Bharallian Director, Harijan Welfare.
32. Dr. K. Balaraman Director of Health Services.
33. Shri N. Gopalakrishnan Nair . . . Director of Economics and Statistics.
34. Shri Jacob P. John Addl. Director of Agriculture.
35. Shri N.H. Rajkurnan Addl. Director of Industries.
36. Shri P.L. George Superintending Engineer, Minor Irrigation.
37. Shri S. Varadachari Dy. Secretary Planning & Economic Affairs.
38. Shri G. Sukumaran Nair Dy. Secretary, Water and Power.
39. Shri P.N. Madhawan Nair Dy. Director, Animal Husbandry.
40. Dr. M.K. Madhawan Dy. Director, Health Services.
41. Shri P.P. Philipose Dy. Director, Bureau of Economics & Statistics.
42. Shri V. Krishnamoorthy Dy. General Manager, KSRTC.
43. Shri N. Sukumaran Chief Asstts. Officer, KSRTC.
44. Shri M.K. Gopalakrishna Nair . . . Statistical Officer, NSRTC.
45. Shri L.R. Prasannan Project Officer, SFDA/MFAL.
46. Shri A.M. David Asstt. Project Officer, SFDA, Cannanore.
47. Shri N.V.S. Vasu Special officer, Coir.
48. Shri V. Mary Jacob Under Secretary, Development.
49. Shri G. Vishwanathan Pillai . . . Asstt. Director, State Planning Board.
50. Shri S. Krishan Aiyer Do.
51. Shri T.S. Krishanan Professor of Economics, Kerala University.
52. Shri V.K. Sukumaran Nair Professor of Economics, Kerala University.

At Hyderabad (Andhra Pradesh)

June 12 & 13, 1972.

1. Shri C.R. Krishna Swamy Rao Sahib Secretary, Revenue.
2. Shri E.V. Ram Reddy Secretary, Home.
3. Shri Anil De Secretary, Industries & Commerce.

4. Shri D. Pratap Reddy Secretary, Food & Agriculture.
5. Shri B.P.R. Vithal Secretary, Planning.
6. Shri B.C. Gangopadhyaya Secretary, P.W.D.
7. Shri V.U. Bawa Jt. Secretary, Medical Health.
8. Shri V.K. Srinivasan Dy. Secretary, Planning.
9. Shri Y. Venugopal Reddy Dy. Secretary, Planning Deptt.
10. Shri M.H.K. Ghaznavi Dy. Secretary, Home (Labour) Deptt.
11. Shri M.N. Haq Dy. Secretary, Panchayat Raj Deptt.
12. Shri S. Santhanam Dy. Secretary, Education Deptt.
13. Shri S.M. Kharim Dy. Secy., Medical & Health Deptt.
14. Shri A.R. Satyanarayana Rao Chief Engineer, Building & Roads.
15. Shri S. Gopalan Chief Engineer, Major Irrigation.
16. Shri T.S. Swamy Chief Engineer, Panchayat Raj and Public Health.
17. Shri R.M. Sastry Managing Director, State Agro-Industries Corporation.
18. Shri K. Subrahmanyam Director of Agriculture.
19. Shri P.N. Rangan Director of Personnel, State Road Transport Corporation.
20. Shri Narsing Raj Director, Employment and Training.
21. Shri Guru Das Transport Commissioner.
22. Shri Shravan Kumar Commissioner of Labour.
23. Shri N. Luther Director of Industries.
24. Shri V. Ramachandran Director of Public Instruction.
25. Shri D. Ramiah Addl. Director, Medical and Health.
26. Shri V. Raman Rao Jt. Director, Bureau of Economics.
27. Shri Prem Chand Dy Director, Municipal Admn.
28. Dr. K.S. Upadhyaya Deptt. of Economics, Osmania University.
29. Shri C.H. Raghuram Do.
30. Shri Nandedkar Do.
31. Shri H. Venkateshwara Rao Do.
32. Shri Tippa Reddy Do.
33. Dr. Waheeduddin Khan National Institute of Community Development.
34. Dr. Lalit K. Sen Do.

APPENDIX VII

Employment and Investment During Five-year Plans

(In millions)

		First Plan	Second Plan	Third Plan	Annual Plans (1966-69)	Fourth Plan (1969-74)
		2	3	4	5	6
I(a)	Backlog of Unemployment at the beginning	3.3	5.3	7.1	9.6	N.A.
(b)	New entrants to the labour Force	9.0	11.8	17.0	14.0	N.A.
	Total (a+b)	12.3	17.1	24.1	23.6	N.A.
II	Additional employment likely to have been generated					
(a)	Non-Agricultural sector	5.5	6.5	10.5	9.0	N.A.
(b)	Agricultural Sector	1.5	3.5	4.0	2.0	N.A.
	Total (a+b)	7.0	10.0	14.5	11.0	N.A.
III	Backlog of Unemployed at the end of the Plan (I-II)	5.3	7.1	9.6	12.6	N.A.
IV	Total investment (Rs. Crores)	3360	6750	11370 ⁴	9132 ⁵	N.A.
V	Index of investment cost at 1960-61 prices ⁶	82	96	113	N.A.	N.A.
VI	Investment at 1960-61 prices (Rs. Crores)	4098	7031	10062	N.A.	N.A.
VII	Employment-Investment Ratio (II:VI)	1:5854	1:7031	1:7172†	1:6023†	1:19324†

*Reserve Bank of India Bulletin, December, 1962.

†Estimates taken from: K.L. Bagal: unemployment in the Fourth Plan some estimates Vol. VII, No. 20, May 13, 1972.

Economic and Political Weekly.

SOURCES :—¹Report of the Study Group on Employment and Training, Commission on Labour, 1969, New Delhi.²Report of the Study Group for Wage Policy, National Commission on Labour, 1969, New Delhi, for items I(b) and II.³Third Plan Document, 1961-66, Planning Commission, Government of India, New Delhi.⁴Financial Express June, 16, 1967.⁵Estimated on the basis of the Investment-Income Ratios for the Annual Plans 1966-67 1967-68 and 1968-69.⁶Simple average for the Plan period worked out from annual figures. Economic Recovery, 1967-68 and 1968-69 some relevant data and Tentative Analysis-Planning Commission, October, 1967, (Mimeographed).

N.A. Not Available.

APPENDIX VIII

Statement Showing the Norms of Employment in Man-years-Per-Crore of Total Expenditure in the Construction Phase

S.No.	Head of Development	Norms suggested for use
1.	Agriculture	5,200
2.	Animal Husbandry, Dairying and Milk Supply	1,750
3.	Forestry including Soil Conservation	8,000
4.	Fisheries	2,260
5.	Cooperation	700
6.	N.E.S. and C.D.	1,830
7.	Irrigation	7,000
8.	Power	1,565
9.	Village and Small Industries	1,700
10.	Large and Medium Industries	1,700
11.	Railways	1,870
12.	Roads	10,435
13.	Ports and Harbours	1,333
14.	Civil Aviation, other Transport, P&T, other Communication and Broad-casting	800
15.	Education	900
16.	Health	870
17.	Housing	5,000
18.	Other Social Services	1,750

Source: Employment Trends and Prospects—Labour and Employment Division, PLANNING COMMISSION, November, 1960.

APPENDIX IX

Additional Employment For Next 3-4 Years

Area of work	Scientific and Technical Personnel (in '000)					Annual Cost*	
	Post-Graduate Science	Engineering Graduate	Medical Graduate	Science Graduate	Engineering Diploma Holders	Total	Per Head (Rs. '000)
Agricultural Soil survey and testing	2.0	0.5	..	50.0	7.5	60.0	12
Forest Resources assessment	0.7	0.2	0.1	1.0	0.5	3.0	12
Primary health centres	1.0	..	5.0	2.0	..	8.0	15
Clinical laboratories	1.0	..	..	3.0	..	4.0	12
Forensic laboratories	0.5	..	0.5	2.0	..	3.0	15
Food and drug testing	1.0	..	0.5	3.5	..	5.0	12
Mineral survey and development	2.0	1.0	..	3.0	6.0	12.0	18
Ground water investigation	1.0	1.0	..	2.0	2.0	6.0	18
Flood control studies	0.5	0.5	..	1.0	2.0	4.0	15
Quality control in industry	1.0	1.0	..	2.0	2.0	6.0	15
Engineering design and development	1.0	4.0	..	1.0	4.0	10.0	18
Instruments development	1.0	0.4	0.1	2.0	2.5	6.0	20
Research and development	10.0	5.0	5.0	5.0	5.0	30.0	25
Evaluation of R & D	0.4	0.5	0.1	1.0	1.0	3.0	18
Manpower Studies	0.5	0.4	0.1	2.0	1.0	4.0	18
Study of foreign aids and collaborations	0.4	0.5	0.1	1.0	1.0	3.0	18
Techno-economic studies for planning	0.4	0.5	0.1	1.0	1.0	3.0	18
Cost engineering	0.6	0.5	0.1	1.2	0.6	3.0	15
Total	25.0	16.0	11.7	84.2	36.1	173.0	16.4
							283.2

*Includes salary, supporting staff, equipment, and other recurring and capital expenses.
Source : C.S.I.R., New Delhi.

APPENDIX X

Indian Scientific And Technical Personnel Abroad (estimated for 1970)

Field	Doctorate	Master	Other Level
Physics	550	400	General
Chemistry	1,200	550	Science
Bio-Sciences	500	250	Fields
Agriculture	250	200	
Other Sciences	500	810	
Total Science	3,000	2,160	840
Civil	100	1,000	90
Electrical	200	500	1,800
Mechanical	180	500	2,82
Chemical	200	650	650
Electronics and allied	100	250	350
Pharmacy	175	200	125
Other engineering and technology	545	1,400	2,355
Total engineering and technology	1,500	4,500	9,000
Medicine and surgery	500	6,000	2,500
Grand Total	5,000	12,660	12,340

Source : (and further details): Technical Manpower, Vol. XIII, No. 2, February, 1971.

सत्यमेव जयते

APPENDIX XI

Percentages of Unemployment among Graduates and Post-graduates as per Special Census Enumeration, 1971

Subject Field	Post-graduates*(including Doctors)			Graduates*		
	Seeking employment	Not seeking emp.	Total Unemployment	Seeking employment	Not seeking emp.	Total Unemployment
Science (other than Agri.)	10.05	2.91	12.96	19.18	5.55	24.73
Agriculture . . .	7.25	0.70	7.95	13.32	1.26	14.58
Engg. & Tech. . .	4.62	0.45	5.07	11.51	0.66	12.17
Veterinary . . .	1.47	0.13	1.60	6.71	0.29	7.00
Medical . . .	2.00	0.53	2.53	5.31	1.02	6.33
Arts . . .	10.36	5.70	16.06	15.10	8.67	23.77
Commerce . . .	7.07	0.93	8.00	16.36	1.76	18.12

*Retired and unspecified categories have been excluded from the Census data in arriving at the percentages.

APPENDIX XII

Stock of Personnel in early 1971

Category	Level	Stock
Agriculture	Post-graduate	13,500
Do.	Graduate	47,200
Veterinary	P.G. & Graduate	13,000
Science	Post-graduate	139,200
Do.	Graduate	420,000
Engg. & Tech.	Degree	185,400
Do.	Diploma	244,400
Medical	Degree	97,800
Do.	Diploma	27,000
Nursing	Degree	800
Do.	Dip. & Certificate	80,000
Arts & Humanities	Post-graduate	390,700
Do.	Graduate	1,138,700
Commerce	Post-graduate	43,800
Do.	Graduate	267,800

Source : Technical Manpower, Bulletin of the Division for Scientific and Technical Personnel, CSIR, Vol. XIV, April, 1972, No. 4.

Estimated Unemployment in early 1971

Subject Field	LEVEL	Persons (Male & Female)			Female		
		Seeking employment	Not seeking employment	Total Unemployment	Seeking employment	Not seeking employment	Total Unemployment
Science	PG	13,990	4,051	18,041	4,555	3,281	7,836
Science	G	80,556	23,310	103,866	18,625	18,320	36,945
Agriculture	PG	980	94	1,074	30	3	33
Agriculture	G	6,287	595	6,882	85	25	110
Engg. & Tech.	Deg.	19,782	1,168	20,950	461	158	619
Engg. & Tech.	Dip.	34,167	1,833	36,000	991	190	1,181
Medicine	Deg.	4,411	800	5,291	1,302	453	1,755
Medicine	Dip.	1,021	494	1,515	51	135	186
Veterinary	Deg.	760	34	794	28	5	33
Sub-Total		161,954	32,459	194,413	26,128	22,570	48,698
Arts	PG	40,477	22,270	62,747	18,260	19,240	37,500
Arts	G	171,944	98,725	270,669	66,288	84,844	151,232
Commerce	PG	3,097	407	3,504	77	66	143
Commerce	G	43,812	4,713	48,525	1,345	924	2,269
Sub-Total		259,330	126,115	385,445	86,070	105,074	191,144
Grand Total		421,284	158,574	579,858	112,198	127,644	239,842

P.G. = Post-Grad. including doctorate. G = Graduate or equivalent. Deg. = G + PG Dip. = Diploma.

Source:—Technical Manpower, Bulletin of the Division for Scientific & Technical Personnel, CSIR, Vol. XIV, April, 1972, No. 4.

APPENDIX XIV

Percentage distribution of Unemployed Engineers in sub-fields Compared with that in stock

Sub-fields	Degree Level				Diploma Level			
	Percentage distribution among				Percentage distribution among			
	All Unemployed	Seeking Employment	Stock		All Unemployed	Seeking Employment	Stock	
Civil	18.9	18.8	27.5		24.0	23.8	35.5	
Mechanical	33.4	33.6	27.3		37.5	37.9	31.8	
Electrical	29.8	30.6	21.5		27.3	27.6	22.1	
Electronics	2.5	2.3	3.4		1.8	1.6	1.0	
Chemical	4.3	4.4	5.4		0.7	0.7	0.4	
Mining	0.8	0.7	1.6		0.7	0.7	1.0	
Metallurgy	2.2	2.2	2.6		0.3	0.4	0.3	
Automobile	1.1	1.0	0.3		2.6	2.5	1.4	
Others	7.0	6.4	10.4		5.1	4.8	6.5	
Total	100.0	100.0	100.0		100.0	100.0	100.0	

Source : Technical Manpower, Bulletin of the Division for Scientific & Technical Personnel, CSIR, Vol. XIV, April, 1972, No. 4.

APPENDIX XV

Percentage distribution of unemployed Post-graduate Scientists in sub-fields compared with that in Stock.

Sub-fields	Percentage distribution among		
	All Unemployed	Seeking employment	Stock
Agriculture	5.1	5.9	8.8
Botany	9.1	8.8	7.5
Zoology	9.4	9.2	7.3
Physics	9.0	10.1	13.6
Chemistry	13.6	14.0	19.1
Mathematics	18.6	20.3	18.5
Statistics	2.6	2.8	3.4
Geo. Scs.*	3.1	3.6	4.3
Geography	9.7	9.6	9.5
Others	9.8	15.7	8.0
TOTAL	100.0	100.0	100.0

*Include Geology and Geophysics.

APPENDIX XVI

Percentage distribution of Unemployed Post-graduates in Arts, by sub-fields.

Sub-fields	Percentage distribution among	
	All Unemployed	Seeking employment
Economics	17.2	19.3
History	10.9	11.0
Political Science	14.0	14.5
Language (English)	8.2	7.7
Language (Indian)	26.2	23.6
Philosophy	3.9	3.5
Sociology	7.6	6.5
Others	12.0	13.9
TOTAL	100.0	100.0

Source : Technical Manpower, Bulletin of the Division for Scientific and Technical Personnel, CSIR, Vol. XIV, April, 1972, No. 4.

29—1 ECU/ND/72

APPENDIX XVII

Economics of 3 acre (irrigated/assured rainfall) or 5 acre dry operational holding cultivated under High Yielding/Local Varieties

Item	Irrigated Farming Region Farm 3 acres Paddy 6 acres (3 acres-Kharif 3 acres-Rabi)		Assured Rainfall Region- Farm 3 acres—Paddy 3 acres (Kharif) Pulses—3 acres (Rabi)		Dry (unassur- ed Rain- fall) Region— Farm 5 acres Jowar 5 acres		
	Local variety	High-yielding variety	Local Varieties Paddy	Pulses	High- yielding	Pulses	Jowar (Local)
1	2	3	4	5	6	7	8
1. (a) Capital cost of well	Rs. 2,500-3,500	Rs. 2,500-3,500	Rs. 2,500-3,500	Rs. 2,500-3,500	Rs. 2,500-3,500	Rs. 2,500-3,500	Rs. 2,500-3,500
Average	Rs. 3,000	Rs. 3,000	Rs. 3,000	Rs. 3,000	Rs. 3,000	Rs. 3,000	Rs. 3,000
(b) Cost of land preparation, etc.	Rs. 300	Rs. 300	Rs. 300	Rs. 300	Rs. 300	Rs. 300	Rs. 300
Total (+)	Rs. 3,300	Rs. 3,300	Rs. 3,300	Rs. 3,300	Rs. 3,300	Rs. 3,300	Rs. 3,300
2. (a) Current cost on irrigation (Depreciation per holding)	Rs. 100	Rs. 100	Rs. 100	Rs. 100	Rs. 100	Rs. 100	Rs. 100
(b) Other costs—per acre	Rs. 70	Rs. 105	Rs. 45	Rs. 10	Rs. 90	Rs. 10	Rs. 11
(i) Hired human labour	Rs. 100	Rs. 110	Rs. 20	Rs. 15	Rs. 25	Rs. 15	Rs. 15
(ii) Bullock labour (owned + hired)	Rs. 20	Rs. 15	Rs. 18	Rs. 10	Rs. 15	Rs. 10	Rs. 5
(iii) Seed	Rs. 100	Rs. 200	Rs. 75	Rs. 5	Rs. 150	Rs. 5	Rs. 5
(iv) Fertilisers, manures and pesticides	Rs. 17	Rs. 16	Rs. 17	Rs. 16	Rs. 20	Rs. 16	Rs. 7
(v) Others land revenue depreciation on implements interest on short term loans, etc.	Rs. 20	Rs. 30	Rs. 17	Rs. 16	Rs. 20	Rs. 16	Rs. 7

3. (i) Current Cost per acre	.	.	.	.	Rs. 310	460	175	56 Paddy & pulses	300	56 Paddy & pulses	43
(ii) Total Current Cost (a + b) per holding	.	.	.	.	Rs. 1,960	2,860	525	170 695	900	170 2,070	215
4. Production—per acre (quintals)	.	.	.	.	Rs. 10	18	8	2.5	14	2.5	2.5
(Per holding quintals)	.	.	.	.	Rs. 60	108	24	7.5	42	7.5	12.5
5. Price per quintal	.	.	.	.	Rs. 46	46	46	51 Paddy & pulses	46	51 Paddy & pulses	47
6. Gross value of production	.	.	.	.	Rs. 2,760	4,970	1,105	385 1,490	1,930	385 2,315	590
7. Consumption needs of family and provision for seed, feed, etc.											
(i) Quantity (quintals)	.	.	.	.	Rs. 16	16	16	1.5	16	1.5	11
(ii) Value	.	.	.	.	Rs. 735	735	735	80 815	735	80 815	511
8. Marketable Surplus	.	.	.	.	Rs. 44	92	8	6	26	6	1.5
Qty. (quintals)—value	.	.	.	.	Rs. 2,025	4,235	370	305 675	1,195	305 1,500	75
9. Net Income (6--3ii) per holding	.	.	.	.	Rs. 800	2110	580	215 795	1,080	215 1,245	375
10. Net Income after deducting value of home consumption (9--7ii)	.	.	.	.	Rs. 65	1,375	(-) 20			430(-) 140	

1	2	3	4	5	6	7	8
11. Interest on Capital Cost @ Rs. 6% per annum	Rs 200	200					
12. Interest and repayment of first instalment	Rs. 200 + 330 + 530	530					
13. Net Income available for other items of consumption (10—8)	Rs. (—)465	845	(—)20				

Note:— 1. The table represents typical situations based on data derived from Farm Management and other studies.

2. Item 9: Net income, represents return to farm family labour and owned fixed capital.

3. Value figures have been rounded up.

Source: Directorate of Economics and Statistics, Deptt. of Agriculture, Krishi Bhavan, New Delhi (Annexures I & VI).



APPENDIX XVIII

Operational and Ownership Holdings Below 3 acres and 5 acres

(N.S.S. 17th Round—All India)

A. OPERATIONAL HOLDINGS

	No. of holdings		Area operated	
	Actual (in '000)	% to total No. of holdings	Actual (in '000 acres)	% to total operated area
Upto 3.0 acres	24,133	47.5	30,755	9.3
Upto 5.0 acres	33,320	61.7	63,248	19.0
All Holdings	50,765	..	3,29,585	..

B. OWNERSHIP HOLDINGS

	No. of holdings		Area Owned	
	Actual (in '000)	% to total No. of holdings	Actual (in '000) acres)	% to total owned area
Upto 3.0 acres	22,621	46.3	29,530	9.7
Upto 5.0 acres	30,898	63.9	59,737	19.6
All Holdings	48,392	..	305,248	..

NOTE:—(1) For working out the no. & area of holdings upto 5 acres, the figures as given in the N.S.S. Report, for holdings upto 4.99 acres have been adopted.

(2) For working out the no. & area of holdings upto 3 acres the figures as given in the report for holdings upto 2.49 acres are added to those estimated for holdings in the group 2.99 acres (assuming that 1/5 of the holdings in the groups 2.49—4.99 acres fall in this group).

APPENDIX XIX

Economy of the crop sharer under existing law in Bihar and Madras

STATEMENT I

Input and output on owner-operated and share-cropper operated holdings up HVP, (Paddy)

State	Input per acre of paddy (Rs.)		Output per acre (Rs.)	
	Owner cultivated	Share Cropper cultivated	Owner cultivated	Share cropper cultivated
Bihar	300	461	643	643
Madras	300	424	643	643

STATEMENT II

Input and Output on owner-cultivated and share-cropper cultivated holding under HVP grown with the help of newly constructed well and investment on land preparation

State	Input per acre of paddy (Rs.)		Output per acre (Rs.)	
	Owner cultivated	Share cropper cultivated	Owner Cultivated	Share cropper cultivated
Bihar	510	717	830	830
Madras	510	635	830	830

NOTE— Inputs include out-of pocket cash and kind expenses including rent in the case of tenants. In Madras, the rent of the share cropper is one-third of the normal (local varieties) gross produce and in Bihar, the rent is one-fourth of the produce irrespective of the local and high yielding varieties used. The land development in statement No. II is the construction of a well and land preparation. Inputs in statement No. II include HVP inputs, depreciation of the well and interest on capital; the share rent is included inputs in the case of tenants.

APPENDIX XX

Percentage distribution of cultivation households (H) and cultivated area (a) interest in land in rural area—(1961 Census-Household Schedule B-XI)

Total cultivating households for each State=100

Total cultivated area for each State =100

State	Ownership		Pure Tenancy		Mixed Tenancy	
	H	a	H	a	H	a
1	2	3	4	5	6	7
1. Jammu & Kashmir	38.21	53.06	7.90	7.05	33.89	39.89
2. Punjab	51.66	51.40	13.76	9.77	34.58	38.83
3. Rajasthan	88.96	89.01	3.87	2.55	7.17	8.44
4. Uttar Pradesh	89.53	91.39	3.22	1.69	7.25	6.92
5. Madhya Pradesh	80.21	80.09	5.55	3.28	14.24	16.63
6. Bihar	67.82	67.82	7.35	7.35	24.83	24.83
7. Orissa	77.83	78.09	4.89	2.87	17.28	19.04
8. West Bengal	65.64	65.05	13.34	10.18	21.02	24.77
9. Assam	62.91	65.37	15.39	9.36	21.70	25.27
10. Gujarat	86.54	86.67	4.07	2.62	9.39	10.71
11. Maharashtra	78.49	77.31	7.29	3.84	14.22	18.85
12. Andhra Pradesh	78.96	76.68	6.28	3.68	14.74	19.64
13. Mysore	70.47	67.38	10.11	4.84	19.42	27.78
14. Kerala	54.90	42.79	32.53	34.72	12.57	22.49
15. Madras	76.21	78.08	10.96	6.64	12.83	15.28
All India	70.34	77.59	7.70	4.22	15.46	18.19

All India is inclusive of Union Territories in respect of house-holds whereas in case of cultivated area it is exclusive of Union Territories.

APPENDIX XXI

Estimates of production of Foodgrains in 1970-71 From Irrigated Areas

Foodgrains	H.V.P.			DOUBLE CROPPING			OTHER IRRIGATED			AREA
	Acreage (million acres)	Yield per acre tonnes)	Total Pro- duction (million tonnes)	Acreage (million acres)	Yield per acre (tonnes)	Total Pro- duction (million tonnes)	Acreage (million acres)	Yield per acre tonnes)	Total Pro- duction (million tonnes)	AREA
1	2	3	4	5	6	7	8	9	10	
Rice	12.5	1.25	15.63	20.00	0.8	16.0	10.0	0.6	6.00	
Wheat	8.0	1.50	12.00	2.0	0.8	1.6	2.0	0.5	1.00	
Jowar	4.0	1.25	5.00	..	..	..	..	..	..
Bajra	4.0	0.75	3.00	8.0	0.6	4.8	5.5	0.4	2.20	
Maize	4.0	1.33	5.32	..	..	..	..	..	..
Others	..	..	..	..	..	..	..	..	..
Total Food-grains	32.5	..	40.95	30.0	..	22.0	17.5	0.5	9.20	

Abstract

H.V.P.	40.95
Multiple Cropping	22.40
Other irrigated areas	9.20
Total	72.55

Requirement of man days in Agriculture

Region	Crops	Intensity	Man days per acre of the holding		
			Local varieties	HYP	
I. Single Crop Cultivation (i.e. intensity of cultivation about)					
Orissa (Sambalpur)	Paddy	0.92	43		63
West Bengal (Hooghly & 24 Parganas)	Paddy	1.05	55		75
	Jute				
Maharashtra (Ahmednagar)	Jowar	1.09	19		29
	Bajra & Wheat				
II. Intensive Multi-Crop Agriculture (i.e. intensity 1.5—2.0)					
Punjab (Amritsar & Ferozpur)	Wheat	1.50	24		54
	Wheat, gram cotton				
Andhra Pradesh (W. Godavari)	Paddy	2.00	97		137
Uttar Pradesh	Wheat	1.50	73		103
(Meerut & Muzaffarnagar)	Sugarcane				
III. Intensive Multi-Crop Agriculture with Mechanisation (Intensity 2.00)					
Punjab	Wheat	2.00	21		47
	Wheat, gram, Cotton.				
Andhra Pradesh	Paddy	2.00	72		98
Uttar Pradesh	Wheat	2.00	63		89
	Sugarcane.				

SOURCES : 1. For man days per acre of the holding under local varieties in Statement I and II: Reports of Farm Management Studies.

2. For man days on HYP: On the basis of cash expenses on additional labour in the Report on the High Yielding Varieties Programme, Kharif 1966-67.

3. For Statement III—On the basis of the above two sources after making allowance for displacement of labour due to mechanisation of ploughing, harvesting and threshing.

APPENDIX XXIII

Targets Anticipated Achievements—Agriculture and Allied Programmes

Item	Unit	1971-72		1972-73
		Target	Anticipated achievement	Target
Foodgrains	Million tonnes	112	110-112	118
Oilseeds ¹	Lakh tonnes	95	87-88	971
Sugarcane (Gur)	Lakh tonnes	132	128-129	135
Cotton	Lakh bales			
	(of 180 Kg. each)	65	56-57	66
Jute (excluding mesta)	"	64	55-56	64
High Yielding Varieties	Million hectares	18.00	17.93	22.10
Programmes	"			
Rice	"	7.00	7.21	9.00
Wheat	"	6.90	7.48	8.50
Maize	"	0.50	0.49	0.50
Jawar	"	1.20	0.91	1.10
Bajra	"	2.40	1.84	3.00
Multiple croppings ²	"	1.90	1.75	1.89
Minor Irrigations ²	"	1.60	1.58	1.60
Soil Conservations	"	1.25	1.22	1.26
Consumption of chemical fertilisers	Million tonnes			
Nitrogenous (N)	"	2.00	1.80	2.29
Phosphatic (P ₂ O ₅)	"	0.89	0.59	0.80
Potassic (K ₂ O)	"	0.40	0.35	0.45
Plant Protection	Million hectares	50.00	46.00	56.00

¹ Includes, besides 5 major oilseeds, soyabean and sun-flower.

² Additional during the year: for all other Programmes it is level reached by the end of the year.

SOURCE : Annual Plan 1972-73, Planning Commission (March, 1972).

Crash Scheme For Rural Employment in Kerala

The Crash Scheme for Rural Employment is a new scheme formulated and sponsored by the Government of India to provide increased employment opportunities for the unemployed and under-employed labourers in the rural areas and thereby creating durable assets to the community. This scheme was started implementing from 1-4-71, in all the 144 blocks of this state. Under this scheme, labour intensive works of earthmoving nature such as minor irrigation works, construction of roads, Soil Conservation works etc. are being taken up. The works proposed all selected by the District Development Council are executed through beneficiary Committees. For each manday of work turned out, wage @ Rs. 4 is given to the labourer. A labourer is expected to be provided with employment for 25 days in a month for 10 months in a year.

For the first year i.e. 1971-72, there was a provision of Rs. 159 lakhs for the implementation of this scheme. As against this, the State Government could spend an amount of Rs. 176.65 lakhs for works providing employment for 41.04 lakhs mandays. Out of the 1281 projects taken up under Minor Irrigation, Road Development and Soil Conservation, for execution, over 1000 could also be completed.

The District-wise details of expenditure and employment provided are given below:—

District	Expenditure on works (as on 31-3-72) Rs.	Employment Provided (Mandays)
Trivandrum	19,35,556.00	4,72,880
Quilon	19,57,299.65	4,41,806
Alleppey.	20,55,924.50	4,62,514
Kottayam	15,24,125.00	4,23,893
Ernakulam	18,42,847.25	4,51,326
Trichur	14,80,127.57	3,48,909
Palghat	16,09,243.00	3,76,531
Malappuram	18,37,203.61	4,00,000
Kozhikode	17,86,862.69	3,33,108
Cannanore	16,36,115.52	3,98,047
	1,76,65,304.79	41,04,014

The scheme will be continued during 1972-73 and 73-74 also. The allotment for 72-73 is Rs. 159 lakhs. Against this, project proposals amounting to Rs. 192.78 lakhs, capable of providing employment to the tune of 38.58 lakhs mandays, as detailed below, have been formulated and they are being implemented.

Nature of Project	No. of Pro- jects	Outlay Rs.	Employment potential (Mandays)
Minor Irrigation	431	53,84,050	10,63,735
Road Development	639	1,32,08,128	26,33,328
Soil Conservation	22	6,85,910	1,61,300
TOTAL	1,092	1,92,78,088	38,58,363

In addition to the above, projects like Panakkachira Colonisation Scheme in Kottayam District, Koothali Harijan Colonisation Scheme in Kozhikode District and Nadiyirippu Harijan Colony in Malappuram District are also being examined to be taken up under the Crash Scheme for Rural Employment. The amount of Rs. 159 lakhs allotted is quite inadequate to meet the above requirements and so Government of India have already moved for the allocation of at least 200 lakhs of rupees for the current year for the satisfactory completion of the works already approved under Crash Scheme for Rural Employment. State Government is entitled for Rs. 200 lakhs if the funds available with Government of India in CRASH SCHEME FOR RURAL EMPLOYMENT is distributed on population basis.

The following are certain problems encountered in implementing the scheme in this State.

(1) *Durability of assets*

The durability of assets created, depends mainly on the quantity of materials used for their construction. There is stipulation in the guidelines that 20—40% of the total outlay for a project should, alone be set apart towards materials. Construction of culverts in roads, minor irrigation tanks require materials viz. iron roads and cement etc. The prevailing price rate of these materials is also high. There is difficulty in getting them at reasonable price. The provision for materials made in the scheme is therefore inadequate for creating durable assets in respect of works especially roads and Minor Irrigation works and it is absolutely necessary that the present ratio between wages and material components is revised to 50 : 50.

(2) *Maintenance of assets*

Under the scheme, large number of roads, minor irrigation tanks, canals etc., are being constructed, and they become valuable assets to the community. In view of the large investments on them, they are to be maintained properly. In Kerala, there are two monsoons in a year and frequently floods also occur. During this period, these roads, canals, tanks etc., get damaged and so special attention has to be bestowed for their repair and maintenance. While taking up the projects for execution, it was the feeling that roads which satisfied the Public Works Department specifications should be entrusted with the Public Works Department Minor Irrigation Works to Public Works Department (Minor Irrigation) and other roads to local Panchayats for maintenance. The panchayats now find it very difficult to maintain the roads already taken up, for want of funds and in view of the high expenditure involved. The Public Works Department also feels the difficulty of maintaining these, because of the poor financial position. However, these assets created, can be entrusted with the local panchayats, for maintenance provided they are given sufficient grant assistance, for the purpose. The cost of maintenance per kilometer of road comes to about Rs. 760. It is assessed that an amount of Rs. 7,50,000 approximately would be necessary per year for the maintenance of these assets created under C.S.R.E. The Government of India insists that it is the sole responsibility of the State Government to maintain them providing funds in the State budget. But in view of the very tight financial resources position of the State, it is very difficult to find so much funds for meeting this expenditure. Government of India, will have to help the State Government in this regard by providing lump sum grant for the purpose.

(3) *Providing continuous employment to labourers*

The main purpose of the scheme is to provide sufficient employment to the unemployed and under-employed in the rural areas and to redress their grievances at least to some extent. The Guidelines insists that a labourer should be given employment for 25 days in a month for 10 months in a year. It is also suggested that the size of the projects selected for execution, should be capable of employing a minimum of 50 persons continuously for a period of 15 weeks. But unlike in other states, the rural population in this State is not concentrated at the particular places, but scattered in the villages. According to the principles under CSRE only local labourers could be engaged for each item of work and no labourers are imported from other places. Even if big projects in the village are taken up for execution, it will last only for 3 or 4 months, and during which period, they can be given sufficient employment. If another work is not started immediately on completion of the one taken up already they cannot be given continuous employment and this may make them frustrated. These labourers cannot also be taken to other places for other works, as the position there also being the same. In order to serve the very purpose of the

scheme, it is essential that good number of works are started, one after the other in the villages under the scheme. For this purpose, the present allocation of Rs. 159 lakhs is inadequate and therefore Government of India have already been requested to allocate at least Rs. 200 lakhs to this State for the current year.

(4) *Low wage rate*

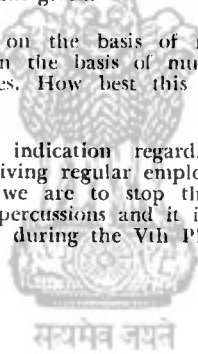
During the crop season in this State, most of the labourers get employment and they earn Rs. 6-7 per day as wages. During other seasons, unemployment is acute. The wage rate fixed under CSRE is only Rs. 4 per day. As most of the labourers are educated unemployed, and highly organised and they get higher wages for other works, this low wage rate under CSRE does not attract them for employment. Most often, they are inclined to forgo the employment under CSRE considering the low wage rate. Even if they are engaged, they demand higher wage rate and create problems. From last one year's experience, it is found essential that the wage rate under CSRE should be raised from Rs. 4 in order to attract labourers, give them sufficient employment, and get the purpose of the scheme served.

(5) *Selection of right person for employment*

The guidelines insist that at least one member of a family of unemployed should be given employment under the scheme. The conveners selected for the works are also entrusted with the selection of labourers from the locality. There are difficulties in its strict enforcement. So it is essential to identify the right persons eligible for employment in the villages. It would be desirable to arrange 'a survey on unemployed' through the Village Extension Officer, so that the right person eligible for employment can be identified and employment given.

(6) Payment is being made on the basis of muster rolls as well as piece work basis. If payment is made on the basis of muster rolls these workers can also be engaged on low rate of wages. How best this system can be improved deserves a discussion.

(7) At present there is no indication regarding the continuance of the CSRE after the IVth Plan. After giving regular employment during the IVth Plan to the unskilled rural labourers, if we are to stop the programme during the Vth Plan period, it will create lot of repercussions and it is absolutely necessary that the CSRE is continued with more vigour during the Vth Plan period also.



A Note on Crash Scheme of Rural Employment in Andhra Pradesh

In view of the current unemployment and under employment situation in the rural areas, Government of India have formulated a scheme titled "Crash Scheme for Rural Employment" to provide quickly and directly employment to at least some specific numbers in each of the districts of the country. This is a non-plan scheme. The primary objective of the scheme is to generate additional employment through a net work of rural projects of various kinds which are labour intensive productive and relate to the district plans. An amount of Rs. 3,41,95,506 has been spent during 1971-72 and the employment provided for 1,07,69,796 mandays. During 1972-73 an amount of Rs. 319 lakhs has been allotted to this State.

The following are some of the projects executed under the CSRE during 1971-72:

1. Road works.
2. Well works.
3. Reclamation and Development of land.
4. Drainage etc.
5. Minor irrigation.
6. Afforestation.

*Crash Scheme for Rural Employment
Consolidated Monthly Progress Report*

State : Andhra Pradesh

Month of March, 1972.

Name of District	Expenditure incurred		Employment provided (Man-days)	
	During month under report	Cumulative expenditure since beginning (1st April) of current year	During month under report	Cumulative since beginning (1st April) of current year
(1)	(2)	(3)	(4)	(5)
1. Adilabad	3,05,850	10,27,157	36,503	2,70,442
2. Anantapur	6,65,848	15,07,832	1,94,651	4,95,801
3. Chittoor	4,01,436	18,37,578	2,05,316	6,97,986
4. Cuddapah	8,24,544	18,64,968	1,40,059	4,39,139
5. East Godavari	4,96,553	20,19,000	1,65,518	6,73,000
6. Guntur	5,65,612	20,97,133	1,73,793	6,32,593
7. Hyderabad	5,01,724	17,20,560	1,40,483	4,81,757
8. Karimnagar	3,21,994	13,09,861	1,07,314	6,36,729
9. Khammam	3,95,590	12,45,620	92,240	4,32,252
10. Krishna	8,99,451	22,04,420	2,80,580	7,63,965

1	2	3	4	5
11. Kurnool	6,51,024	16,03,723	1,14,186	4,35,402
12. Mahabubnagar	3,54,334	10,63,062	1,07,901	3,40,683
13. Medak	2,83,891	12,36,460	44,606	4,61,556
14. Nalgonda	2,29,950	9,32,000	21,233	2,51,458
15. Nellore	3,44,514	23,46,454	86,295	5,39,780
16. Nizamabad	4,25,084	15,25,684	81,540	3,01,936
17. Ongole	5,04,535	20,97,736	1,56,385	7,18,049
18. Srikakulam	8,23,608	19,29,527	3,43,200	7,75,825
19. Visakhapatnam	3,24,866	15,19,124	1,43,552	4,56,693
20. Warangal	3,28,622	12,88,607	1,13,823	4,26,264
21. West Godavari	6,46,483	18,19,000	47,934	5,38,486
TOTAL :	1,02,95,393	3,41,95,506	27,97,117	1,07,69,796



APPENDIX XXVI

Drought Prone Areas Programme : Progress of expenditure during 1970-71 and 1971-72

(Rs. in lakhs)

Sl. No.	State	No. of selected DPAI districts	Outlay sanctioned during 1977-71	Actual expenditure incurred by the States during 1970-71	Assistance Released in 1971-72	Expenditure incurred (Estimated)
1.	Andhra Pradesh	5	284.64	186.63	530.97	390.00
2.	Bihar	3	5.00	—	17.00	30.00
3.	Gujarat	7	329.93	43.14	24.69	281.00
4.	Haryana	1	—	—	170.00	174.00
5.	Jammu & Kashmir	1	—	—	10.00	13.00
6.	Madhya Pradesh	4	20.67	4.16	18.00	76.00*
7.	Maharashtra	6	132.26	90.00	325.00	423.00
8.	Mysore	5	180.80	116.47	345.00	433.00
9.	Orissa	2	34.00	15.30	56.53	104.00
10.	Rajasthan	10	221.66	59.56	361.93	395.00
11.	Tamil Nadu	2	107.00	102.16	91.38	132.00
12.	Uttar Pradesh	6	35.00	23.53	75.00	141.00
13.	West Bengal	2	34.22	8.42	25.00	10.00@
TOTAL		54	1385.18	649.37	1850.50	2602.00

*Actual expenditure figures for 1971-72.

@State Government did not report estimated expenditure figures and therefore, the figures represent the actual expenditure last reported by them till the end of October, 1971.

Area Operated Under Tenancy

State	National Sample Survey : 17th Round 1960-61 ('000 acres)			Percentage distribution of cultivating households and area cultivated. Total Cultivating households for each State=100. Total cultivated area for each State=100.									
	Area Operated	Area under tenancy	% of 2 to 1	@Ownership		Pure tenancy		Mixed tenancy					
				Cultivating households	Area	Cultivating households	Area	Cultivating households	Area	Cultivating households	Area	Cultivating households	Area
1	2	3	4	5	6	7	8	9	10				
1. Andhra Pradesh	28,219	2,582	9.15	78.98	76.68	6.28	3.68	14.74	19.64				
2. Assam	4,649	714	15.36	62.91	65.37	15.39	9.36	21.70	25.27				
3. Bihar	24,536	2,515	10.25	67.82	67.82	7.35	7.35	24.83	24.83				
4. Gujarat	23,215	1,353	5.83	86.54	86.67	4.07	2.62	9.39	10.71				
5. Jammu and Kashmir	1,875	265	14.13	58.21	53.06	4.90	7.05	33.89	39.89				
6. Kerala	3,314	507	15.30	54.90	42.79	32.53	34.72	12.57	22.49				
7. Madhya Pradesh	41,789	2,674	6.40	80.21	80.09	5.55	3.28	14.24	16.63				
8. Tamil Nadu	13,107	2,169	16.55	76.21	78.06	10.96	6.64	12.83	15.28				
9. Maharashtra	40,975	3,581	8.74	78.49	77.31	7.29	3.84	14.22	18.85				
10. Mysore	24,277	4,409	18.16	70.47	67.38	10.11	4.84	19.42	27.78				
1. Orissa	12,604	1,355	10.75	77.83	78.09	4.89	2.87	17.28	19.04				
2. Punjab	13,605	4,815	35.39	51.66	51.40	13.76	9.77	34.59	38.83				
3. Rajasthan	36,552	1,780	4.87	88.96	89.01	3.87	2.55	7.17	8.44				

1	2	3	4	5	6	7	8	9	10
14. Uttar Pradesh	46,978	3,786	8.06	89.53	91.39	3.22	1.69	7.25	6.92
15. West Bengal	12,557	2,216	17.65	65.64	65.05	13.34	10.18	21.02	24.77
16. Union Territories	1,333	231	17.33	—	—	—	—	—	—
ALL - INDIA	3,29,585	34,952	10.60	76.34+	77.59	7.70+	4.22	15.46+	18.19

@Including Haryana also.

+ All-India total is inclusive of Union Territories in respect of households whereas in the case of cultivated areas it is exclusive.

Source : Report of the EXPERT GROUP on State Enactments having a bearing on COMMERCIAL BANKS lending to AGRICULTURE Reserve Bank of India, 1971, Appendix V.



Irrigation Pumpsets/Tubewells Energised

States/Union Territories	Number Energised as on		
	31-3-1972	30-6-1972	31-7-1972
1	2	3	4
Andhra Pradesh	2,11,599	2,15,141	2,16,825
Assam	105	105	105 c
Bihar	73,382	75,264	75,264 c
Gujarat	79,902	81,509**	81,946**
Haryana	1,01,333	1,02,622	1,03,089
Himachal Pradesh	609	630 b	630 b
Jammu & Kashmir	317	318 b	318 b
Kerala	28,281	29,643	29,887
Maharashtra	2,39,915*	2,44,804*	2,46,035*
Manipur	Nil	Nil	Nil
Meghalaya	Nil	Nil	Nil
Mysore	1,50,238 +	1,53,495 +	1,54,544 +
Nagaland	1	1	1
Orissa	385	988	988 c
Punjab	96,740	99,753	1,00,890
Rajasthan	49,197	50,032	50,665
Tamil Nadu	5,94,612	6,08,643	6,13,457
Tripura	25	25	25
Uttar Pradesh	1,60,332	1,67,194	1,69,140 d
West Bengal	1,490	1,507 b	1,507 b
Madhya Pradesh	89,676	94,888	94,888 c
TOTAL (States)	18,78,539	19,26,462	19,40,204
A & N Islands	Nil	Nil	Nil
Arunachal Pradesh	Nil	Nil	Nil
Chandigarh	342	354 b	362
D & N Haveli	58	67	67
Delhi	5,178	5,235 b	5,235 b
Goa, Daman & Diu	196	216	217
L.M.A.	Nil	Nil	Nil

1	2	3	4
Mizoram	Nil	Nil	Nil
Pondicherry	5,530	5,438	5,470
TOTAL (U. Ts).	11,124	11,810	11,351
TOTAL (ALL-INDIA)	18,89,663	19,37,772	19,51,555

a As on 31-3-1972.

b As on 31-5-1972.

c As on 30-6-1972.

** Includes 2,985 Nos. energised by licensees and 921 Nos. energised tubewells.

* Includes 9,530 Nos. energised by licensees.

+ Includes 616 Nos. pumpsets energised by licensees.

d Includes 3,256 energised by licensees, 10,562 (as on 31-5-1972).

Nos State tubewells sand 110 lift irrigation schemes.

Source : C.W. & P.C. (P.W.)
R.E. DIRECTORATE.
11-9-1972.



PART I

State-wise abstract of schemes sanctioned by Rural Electrification Corporation as on 31st August 1972

Sl. No.	Name of State	Details of Schemes												Cost of schemes (Rs. Lakhs)	Amount of loan sanctioned (Rs. Lakhs)
		OA	OB	SI	ST	Total No. of schemes ges	No. of villas-	No. of pumpsets	No. of L.T. Ind.	No. of Agro-Ind.	Dom. & Commn. Connections	St. Light Conn.			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
1.	Andhra Pradesh	6	12	—	—	18	1,109	25,548	1,432	200	90,949	17,050	1118.238	1100.910	
2.	Assam	—	4	—	—	4	432	245	563	766	27,166	13,433	351.551	330.723	
3.	Bihar	5	16	—	—	21	2,662	34,667	5,135	—	44,570	—	1411.005	1264.02	
4.	Gujarat	12	3	—	—	15	672	18,832	1,126	153	48,758	23,713	768.170	680.374	
5.	Haryana	12	1	—	—	13	744	15,010	420	1,453	23,420	3,160	736.077	635.592	
6.	Himachal Pradesh	—	3	3	—	6	1,243	479	241	407	43,724	600	245.295	236.213	
7.	Kerala	10	—	—	—	10	290	5,920	923	—	55,456	11,504	515.796	451.666	
8.	Madhya Pradesh	14	10	—	—	24	1,028	45,751	1,281	693	50,764	5,784	1,278.390	1,162.056	
9.	Maharashtra	12	8	—	—	20	1,856	27,178	2,122	1,041	61,617	19,771	1,295.261	1,243.074	
10.	Meghalaya	—	—	1	—	1	32	33	51	27	1,316	918	25.651	24.455	
11.	Mysore	13	4	—	—	17	936	13,627	923	—	60,636	28,602	831.782	758.030	
12.	Orissa	4	10	—	2	16	1,670	18,057	1,127	1,555	44,544	10,895	953.592	786.307	
13.	Punjab	16	2	—	—	18	1,209	24,542	1,805	2,410	85,391	316	1,170.038	962.474	
14.	Rajasthan	14	5	—	1	20	1,251	28,483	2,340	635	35,713	7,948	1,148.626	1078.566	
15.	Tamil Nadu	14	—	—	—	14	1,598	30,539	225	58	56,797	8,301	956.016	823.369	

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
16.	Uttar Pradesh	9	19	4	2	34	4,343	23,997	6,236	3,433	97,683	8,102	2,355,683	2,112,651
17.	West Bengal	11	10	—	2	23	4,470	17,752	11,913	3,425	2,45,042	—	1,873,794	1,658,551
	Total :	152	107	8	7	274	25,545	3,30,660	37,863	16,256	10,73,546	1,60,097	17,094,969	15,319,031
	Co-operatives					5	729	27,605	1,304	249	46,815	12,340	1,280,773	1,280,713
	GRAND TOTAL :	152	107	8	7	279	26,274	3,58,265	39,167	16,505	11,20,361	1,72,437	18,315,742	16,599,744

(Source: Ministry of Irrigation & Power)



Villages Electrified

States/Union Territories	Total No. of villages	Number Electrified as on			Percentage electrified as on 31-7-72
		31-3-73	30-6-72	31-7-72	
1	2	3	4	5	6
Andhra Pradesh	27,084	9,264	9,323	9,368	34.6
Assam	20,565	725	726d	726d	3.6
Bihar	67,665	8,313	8,386	8,386c	12.3
Gujarat	18,584	4,706*	4,872*	4,903*	26.4
Haryana	6,669	6,091**	6,250**	6,250**c	93.7
Himachal Pradesh	13,060	3,249	3,323d	3,323d	25.5
Jammu & Kashmir	6,559	735	740d	740d	11.2
Kerala	1,573	1,268	1,228	1,294	81.8
Madhya Pradesh	70,414	8,787	8,887	8,915	12.7
Maharashtra	35,851	13,661+	13,791+	13,834+	38.8
Manipur	1,866	187	187	187c	10.0
Mysore	26,377	10,075	10,260	10,319	39.2
Meghalaya	4,407	75	75	75	1.7
Nagaland	814	77	80	80	9.8
Orissa	46,466	2,615a	2,615a	2,615a	5.6
Punjab	11,947	6,366	6,445	6,470	54.1
Rajasthan	32,241	4,023	4,135	4,168	12.9
Tamil Nadu	14,124	12,837	13,133	13,214	93.5
Tripura	4,932	85	85	85c	1.5
Uttar Pradesh	1,12,624	23,755	24,298	24,495	21.8
West Bengal	38,454	3,328	3,888	3,888c	9.9
TOTAL (States)	5,62,276	1,20,222	1,22,789	1,23,335	21.95
A & N Islands	399	28	32	32	8.0
Arunachal Pradesh	2,451	50	52d	52d	2.1
Chandigarh	31	31	31	31	100.0
D & N Haveli	72	13	13	13	18.0
Delhi	276	276	276	276	100.0
Goa, Daman & Diu	245	151	155	155	63.2

	1	2	3	4	5	6
L.M.A.		10	8	8	8	80.0
Mizoram		730	3	3	3	0.4
Pondicherry		388	388	388	388	100.0
TOTAL (UTs)		4,602	948	958	958	20.8
TOTAL ALL-INDIA		5,66,878	1,21,170	1,23,747	1,24,293	21.98

+ Includes 135 Nos. electrified by licensees.

* Includes 96 Nos. electrified by licensees.

** Does not include those villages in which electricity is not utilised.

a As on 29-2-1972.

c As on 30-6-72.

d As on 31-5-1972.

Source : C. W. & P.C. (P.W.), R.E. DIRECTORATE, 7-9-1972.



*Findings of the State Transport Authorities Andhra Pradesh, Haryana,
Maharashtra and Tamil Nadu*

Andhra Pradesh

1. The Andhra Pradesh State Road Transport Corporation (APSRTC) owns a fleet of 2,500 buses and has been adding 100 buses every year. The bus-staff ratio in the Corporation at present is 1:9. This added to the retirements would mean that the APSRTC was capable of providing about 1,000 jobs a year.

2. According to the statistics furnished by the APSRTC, for every bus put on the road by the State Transport, about nine to ten jobs were directly generated; whereas the capital employed per person in the railways was about Rs. 26,000, the capital employed per persons in the road transport was nearly Rs. 8,000. In the manufacturing industry this figure was about Rs. 19,200. Thus the employment generated a larger outlay on transport services was reckoned as nearly two and half times than that in the manufacturing industry. Of the employment generated, about 0.5 per cent of the posts would be executive in nature of which half would be in the Engineering Department; 2 per cent would be supervisory in nature and the remaining 97.5 per cent would be in subordinate posts such as those of drivers, conductors and mechanics. That would mean that the bulk of the employment potential would be available in the lower posts where unemployment was felt more acutely.

3. The APSRTC was of the view that the development of road transport would require construction and maintenance on a regular basis and as such a large number of unskilled workers could be employed directly.

Haryana

4. The compactness in the size of State e.g. Haryana appear to us as having a bearing on the progress made in road construction and expansion of road transport. The villages covered by metalled roads in Haryana increased from 1,386 in 1966-67 to 3,539 in March, 1972 in less than 4 years. The Haryana Roadways increased its fleet strength from 567 in 1967-68 to 1,275 in 1971-72 and its present rate of profit of 34.8 per cent was the highest in the country.

Maharashtra

5. The inadequacy of the Plan assistance to the State transport authorities was put forward before us by the Maharashtra State Road Transport Corporation (MSRTC), Bombay with the help of detailed facts and figures. It was brought to our notice that the bus-staff ratio (proportion of fleet on the road and total staff) in every major transport undertaking in the country was no less than nine i.e. nine employees for each bus on the road. In the private sector passenger transport, the ratio was much lower as the small operator himself discharged various functions connected with operations e.g. during, maintenance, collection of fares etc. The bus-staff ratio, however, did not take into account the employment potential in bus chassis manufacturing and ancillary industries, manufacturers and suppliers of spare parts, fuel, lubricants, tyres, batteries etc. According to estimates, a reasonable figure would be as high as 15 including bus-staff ratio of the fleet owners. Thus the total fleet of about 37,000 buses owned by Public Sector Transport Undertakings, provide employment today to over 5 lakhs employees. The MSRTC estimated that each dose of capital investment of Rs. one crore in commissioning of new buses was, therefore, likely to reduce the volume of unemployment (that was expected to increase at the rate of 6,000 per day for the next two years) to the following extent:—

- | | |
|---|-----------------|
| (a) No. of new buses that could be commissioned for Rs. one crore of Rs. 90,000 per bus | 111 buses |
| (b) No. of buses on the road after a margin of scheduled reserve of 15% held idle. | 94 buses |
| (c) Bus-staff ratio of the fleet owner and employment potential in other sectors. | 15 persons |
| (d) Additional employment at 15 per bus (b × c) | 1,410 persons |
| (e) Additional man-hours of employment per day of 8 hours. | 11,280 hours |
| (f) Additional man-hours of employment per year of 365 working days. | 41,17,200 hours |

6. The MSRTC was of the view that without effective financial assistance from the State and Central Governments, either by adequate plan capital contribution or by reduction of direct taxes burden, the road transport development in the country is likely to suffer a serious set-back in the Fourth Plan period and that in the absence of an integrated plan of road and road transport development, the investment in road development would remain largely infructuous. According to the Chairman, the Maharashtra State Road Transport Corporation that road transport industry has reached a saturation point. Permissible over-loading ceilings in States, generally 25 per cent in excess of seating capacity, have brought about serious physical inconvenience to the travelling public, regular loss of traffic revenue and deterioration of bus bodies and their vital parts. As the Maharashtra State Road Transport Corporation has the largest fleet of buses (6,500) in the whole country their experience in management has considerable significance for the rest of the country.

7. It was brought to our notice by the Chairman, MSRTC that while the Corporation had been paying income-tax up to 1968-69 owing to its profitable operations, the position had been reversed by the imposition of passenger tax which went on rising from 15 per cent in 1965-66 to 22 per cent in 1971-72. As the fare structure of the Corporation had remained unchanged (2.73 paise per k/m) in 1972 as against 2.81 paise k/m in 1958-59) the imposition of the passenger tax has increased the burden of the Corporation.

Tamil Nadu

8. The Transport Department of the Tamil Nadu Government also impressed on us about the highly labour intensive character of the passenger traffic industry. Our attention was specially drawn to the fact that every passenger bus gave employment on average to 10 persons, as follows:—

- (i) Two drivers and two conductors for two shifts;
- (ii) One driven and one conductor for weekly off and leave reserve;
- (iii) Three persons for store keeping, accounting, administration etc.; and
- (iv) Two persons for maintenance and repairs.

It was estimated that an addition of 100 buses at a cost of about Rs. 90 lakhs could provide employment for 1,000 people. There was no gestation period for that increase in employment since the employment could be generated almost immediately after the buses were purchased.

9. According to the Tamil Nadu Government the metropolitan transportation system in Madras was working at an average loss of Rs. 80 to 100 lakh per year. About 15 per cent of the expenditure of bus transportation was met from direct taxes. Apart from that there were indirect taxes paid through consumption of petrol, diesel, tyres, tubes etc. The consumption of petrol and diesel in the metropolitan Madras system was stated as about Rs. two crores of which Rs. 1 crore represented tax. The Government of Tamil Nadu represented to us that the earlier recommendation of the Working Group of the Planning Commission on the metropolitan transport system, September, 1970 that the Government of India should give certain tax concessions for encouragement and maintenance of sound transportation systems in metropolitan areas of Delhi, Calcutta, Bombay and Madras, should be implemented forthwith in the interest of employment generation. They argued that if that concession could be expedited the metropolitan areas would be able to buy more buses and operate them at a break-even point which would result in increasing the employment potential at the rate of 1,000 persons per every one crore of rupees investment. The Tamil Nadu Government also submitted that as far as Madras was concerned, if a minimum concession of 50 per cent of the Central taxes on diesel could be given to the metropolitan areas, they would be in a position immediately to buy 100 buses and provide employment for 1,000 more persons.

Hospital and Medical Care Estimates and Projections

	1960	1961	1966	1971	1976
1. Population	420,000,000	425,000,000	470,000,000	530,000,000	640,000,000
2. Total ill Daily	8,400,000	8,500,000	9,400,000	10,600,000	12,000,000
3. Per cent	2	2	2	2	2
4. Needing No. Prof. Care	1,680,000	1,700,000	1,880,000	2,120,000	2,400,000
5. Per cent (of 2)	20	20	20	20	20
6. Needing Daily Domiciliary care	420,000	425,000	470,000	530,000	600,000
7. Per cent (of 2)	5	5	5	5	5
8. Needing Daily Out-Patient care	6,300,000	6,375,000	7,050,000	7,950,000	9,000,000
9. Percent (of 2)	75	75	75	75	75
10. Given Daily Out-patient care	205,000	255,000	325,500	477,000	630,000
11. Per cent (of 8)	3	4	8	6	7
12. Given Out-Patient Care Annually	75,000,000	93,075,000	128,430,000	174,000,000	230,000,00
13. Needing Adm. to Hospital Daily	21,000	25,500	87,600	53,000	60,000
14. Per cent (of 2)	0.25	0.3	0.4	0.5	0.5
15. Admitted to Hospital Daily	12,000	13,600	18,000	31,800	55,200
16. Per cent (of 13)	57	58	59	60	92
17. Annual Adm. to Hospital	4,380,000	4,964,000	6,862,000	11,607,000	19,710,000
18. Admission per 1,000	10	12	14	22	33
19. Average No. of Days stay	10	10	10	10	10
20. Total Beds	150,000	165,000	206,800	505,000	607,000
21. Beds for 1000 population	0.36	0.36	0.44	0.66	0.1
22. Daily cost per Patient-Rupees	7	8	9	40	12
23. Total Annual Operating cost Crore	30	39	71	116	236
24. Annual costs Construction Crore	30	84	86	514	

Source : Report of the Health Survey and Planning Committee, Vol. II, Appendices, Ministry of Health, Government of India.

Progress Under the Social Housing Schemes up to December, 1971

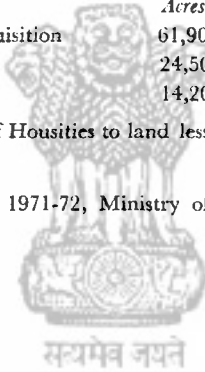
Scheme	Number of houses	
	Sanctioned	Completed
1. Integrated Subsidised Housing Scheme for Industrial Workers and Economically Weaker Sections of the Community	2,30,000	1,76,300
2. Low Income Group Housing Scheme	1,80,600	1,41,500
3. Subsidised Housing Scheme for Plantation Workers	7,900	1,800
4. Slum clearance/improvement Scheme	1,38,396	83,240
5. Village Housing Projects Scheme	80,000	50,000
6. Middle Income Group Housing Scheme	32,800	23,400
7. Rental Housing Scheme for State Govt. Employees	25,800	20,300

8. Land Acquisition and Development Scheme

	Acres
(i) Sanctioned for acquisition	61,900
(ii) Acquired	24,500
(iii) Developed	14,200

9. Schedule for Provision of Housities to land less workers in the rural areas. (Introduced in October, 1971)

Source . Annual Report 1971-72, Ministry of Works and Housing.



Building Materials Requirement and Availability in Fifth Plan

Sl. No.	Materials	Estimated availability of Building Materials at the beginning of Fifth Plan		Requirement of Materials for last Year (1978-79) of the Fifth Plan			
		Production	Available for Construction	Total Construction	Residential Buildings.	Non-Residential Bldgs	Total buildings
1	2	3	4	5	6	7	8
1.	Bricks (Millions)	24,000	24,000	37,500	17,242	8,873	26,115
2.	Cement (Million Tonnes)	18.0	18.0	25.90	8.42	9.82	18.24
3.	Timber (Million Cu. Mt).	—	—	4.00	1.77	1.05	2.82
4.	Steel (Saleable) (Million Tonnes)	7.2	4.0	6.90	1.18	3.23	4.41



APPENDIX XXXV

List of Districts in which the Proportion of Scheduled Castes and Scheduled Tribes is more than 33 Per cent to the Total Population of the District

<i>Assam</i>		Koraput	73.3
(Total No. of Districts-11)		Sambalpur	45.4
Garo Hills	85.9	Bollangir	38.2
United Khasi & Jaintia Hills	81.6	Baoudh Khondmals	60.9
United Mikir and North		Sundargarh	67.8
Cachar Hills	80.0	Keonjhar	61.0
Mizo Hills	98.1	Mayurbhanj	69.3
<i>Bihar</i>		<i>Rajasthan</i>	
(Total No. of Districts - 17)		(Total No. of Districts - 26)	
Santal Parganas	45.8	Sawai Madhopur	44.6
Palamau	45.2	Dungarpur	64.7
Ranchi	66.2	Sirohi	40.1
Singhbhum	50.3	Udaipur	38.9
<i>Gujarat</i>		Bundi	36.0
(Total No. of Districts - 17)		Banswara	67.2
Panchmahals	37.8	<i>Uttar Pradesh</i>	
Broach	46.6	(Total No. of Districts - 54)	
Surat	53.4	Mirzapur	34.1
Dang	92.9	<i>West Bengal</i>	
<i>Madhya Pradesh</i>		(Total No. of Districts - 16)	
(Total No. of Districts-43)		Jalpaiguri	58.3
Shahadol	57.1	Cooch Bihar	47.8
Sidhi	43.3	West Dinajpur	34.6
Jhabua	87.6	Birbhum	37.1
Dhar	58.5	Bankura	40.6
West Nimar	51.1	Purulia	36.9
Betul	41.5	<i>Nagaland</i>	
Mandla	65.6	(Total of Districts - 3)	
Chhindwara	42.4	Kohima	81.2
Seoni	61.4	Mokokchung	94.5
Surguja	42.7	Tuensang	97.0
Bilaspur	36.3	<i>Union Territories</i>	
Rajgarh	57.0	Chamba	47.3
Bastar	77.8	Sirmur	34.3
<i>Maharashtra</i>		Kinnaur	89.8
(Total No. of Districts - 26)		Laccadive, Minicoy and	
Dhulia	41.5	Amindive Islands	97.0
<i>Orissa</i>		Manipur	33.6
(Total No. of Districts - 13)		Tripura	42.0
Kalahandi	52.1	Dadra and Nagar Haveli	90.2

Source : Report of the Expert Group on State Enactments having a bearing on commercial Banks Lending to Agriculture, Reserve Bank of India, Bombay - 1971 (Appendix-N)

State-wise Bhoodan land and Gramdan villages

(Upto 31st March 1967)

State	Land received (in acres)	Land Distributed (in acres)	Land rejected (in acres)	Land to be distributed (in acres)	Number of Gramdan Villages
1. Assam	23,105	509	8	22,588	1,163
2. Andhra Pradesh	241,952	103,309	86,385	52,258	3,683
3. Orissa	189,139	113,345	19,846	55,948	6,363
4. Uttar Pradesh	435,574	201,642	173,564	60,368	753
5. Kerala	26,293	5,774	7,999	12,520	40
6. Tamil Nadu	80,433	21,519	—	59,914	3,319
7. Delhi	300	180	120	—	74
8. Punjab	14,739	3,601	3,380	7,758	1,280
9. Gujarat	103,530	50,984	27,994	24,552	751
10. Maharashtra	150,802	107,111	33,346	5,345	2,681
11. Madhya Pradesh	405,402	156,506	174,531	74,365	2,161
12. Mysore	20,086	3,181	53	16,852	96
13. West Bengal	12,960	3,898	8,426	—	—
14. Bihar	2,121,462	331,842	1,067,006	722,614	13,198
15. Rajasthan	432,868	84,781	122,488	225,599	1,011
16. Himachal Pradesh	5,240	2,531	—	2,709	—
17. Jammu & Kashmir	211	5	—	206	—
TOTAL	4,264,096	1,190,718	1,730,146	1,343,232	37,775

Source : Report of the EXPERT GROUP on State Enactments having a bearing on COMMERCIAL BANKS lending to AGRICULTURE, Reserve Bank of India, Bombay, 1971-Appendix-VI.

*A Scheme for the Organisation of Block Level Village Artisans Baluteder's
Multi-purpose Cooperative Societies in Maharashtra*

The Government of Maharashtra has realised that maximisation of production must go hand in hand with the re-distribution of income from the relatively rich to the relatively poor sections of the community so as to increase the incentives to a greater production effort and to enlarge the purchasing power of the masses as a suitable base for expanded production. The maximisation of production of all goods and services is the foundation on which a durable and real increase in living standards of people must rest. Towards the achievement of this objective a number of new and positive measures have been contemplated by the State Government. Village artisans are required to be assisted under a well-conceived plan, which would help in the eradication of poverty and promote their economic advance. Their productive and the gainful employment requires to be sustained in spite of the service limitations of resources in money, trained man-power and materials. Infra-structure facilities in the form of electricity, roads, communications etc. are being provided for the rural areas, which are contributing to the enlargement of avenues of employment. The State Government has already announced the employment guarantee scheme in the rural areas. As a part of this comprehensive approach and to ensure the early development of village economy, it is necessary to create conditions which will increase the productivity of village artisans. To do this it is necessary to provide financial assistance in the form of capital investment and working technical know-how, managerial expertise and the means of marketing to these artisans. In Co-operative Societies of artisans and others engaged in village industries are organised on sufficiently large scale so as to make such societies viable, this purpose could be easily achieved. Since the people engaged in village crafts are scattered and since societies covering a single village and a group of villages can seldom become viable, it would be necessary to cover all artisans in a block and the proposed societies could cover all the village industries and handicrafts in the block. It is thus necessary to have revised thinking on the subject of revival and development of Industrial Cooperatives in rural areas.

The membership of industrial Cooperative Societies consists of weaker sections of the community. Their main object is to see that the artisans and workers engaged in handicrafts and cottage industries control the production and marketing of their products with a view to sharing the profits of their work and earn better wages and ultimately lead a better life. The idea is to free the artisans from exploitation by master craftsmen and financiers and to preserve and encourage the traditional art and skill of handicraftsmen engaged in village industries such as flaying and tanning pottery, handicrafts etc.

There are 1870 other industrial cooperative societies (other than handlooms and powerlooms) in the State of which 46% are dormant. Many of the hereditary and traditional industries have been decaying for various reasons, the most important of which is rapid industrialisation of the country. The artisans carrying on these industries have been migrating to cities and they have been taking up other occupations. It is therefore necessary to take positive steps to resuscitate and to develop village industries, particularly these engaged industries, under the purview of the Khadi & Village Industries Commission.

Most of these societies have been very small uneconomic units and in the absence of advantages accruing from large scale production, they have found it extremely difficult to survive the competition of bigger mechanised industrial units. Their production costs tend to be on the higher side and the quality of their products has not been uniformly satisfactory. These societies have also been facing difficulties in securing and stocking raw materials required by them. The Co-operative Banks have been rather reluctant in meeting their credit requirements for their purchase of raw materials and for the marketing of their products. The main difficulty faced by these societies has been, however, in the matter of marketing products manufactured by them. There is no agency or arrangement made for the marketing of the products of these societies with the result that their stocks accumulate very often and further production comes to a standstill. This inevitably leads many of these societies to a state of stagnation.

At present most other primary industrial cooperative societies face a multitude of difficulties in their day to day business such as securing adequate and timely finance,

obtaining raw materials and securing suitable remarks for their finished goods. Unless some organisation is provided to overcome these difficulties these societies will not be able to run satisfactorily. Such an organisation has to be very close to them. The District Industrial Cooperative Associations, of which there are eleven working in the stage, have not been able to render these services to the industrial cooperatives. Thus, at present there is no agency for serving the village artisans and meeting their imminent needs.

Need for a New Type of Industrial Society

To remove difficulties enumerated above there is a great need for organising a society which will cover all the crafts in the rural areas and which will be close enough to the artisans to provide for financial accommodation, raw materials, technical guidance, guidance in financial matters and matters of marketing etc., to the village artisans at close range. The proposed organisation will also have to arrange for timely and adequate finance to ensure that it is used properly and returned in time, it will also have to supervise its utilisation.

Area of Operation

The area of operation of the proposed society will be equivalent to the development block, as this area is just large enough to provide viability but is not too large to make close supervision difficult. All artisans staying in that block and carrying on any handicraft or village industry will be eligible for membership. The existing industrial cooperatives in that area will be eligible for membership. The existing industrial cooperatives in that area will be eligible to become members of the proposed society. The proposed area of operation has been clearly, strongly endorsed by the Committee for going into the working of the Industrial Cooperative Societies in Maharashtra State (Chairman: Shri V. S. Page) (Para 3-18 of the report). By asking the Block the area of operation, it would be easier to ensure proper supervision over the activities of the society by agencies concerned including the Cooperative Department. Initially the village industries artisans coming within the purview of the Khadi & Village Industries Commission would be invited to join the society. The membership of the society would also be open to the khadi and village industries Board, the Panchayat Samiti, Government, the District Central Cooperative Bank and any institution registered under the Public Trusts Act or Society's Registration Act doing the work of village and cottage industries.

Committee of Management

- (1) One nominee of Khadi and Village Industries Board.
- (2) One nominee of Panchayat Samiti.
- (3) One nominee of the District Central Cooperative Bank.
- (4) One representative for every five industrial Co-operatives.
- (5) Six representatives of Artisans.
- (6) Co-operative Extension Officer-Manager-cum-Secretary.

Concessions

As the Society would be consisting of the weaker sections of the community, it could be given concessions of free audit and free supervision by Government for an initial period of five years.

It is proposed to make available free the services of Cooperative Extension Officer and the Industries Extension Officer to the Block level society. These two posts are at present attached to the Panchayat Samiti at the Block level. The Cooperative Extension Officer will be the Manager-cum-Secretary of the Society and the Industries Extension Officer, who is already a trained hand, will provide technical and other advice required for production and marketing purposes.

The audit of accounts of the Society will be undertaken by the auditors of the Co-operative Departments and no fees would be charged.

Finance

All the Financial assistance available from the Khadi and Village Industries Commission, the State Government and the Central Financial Agencies, will be given

only to the Block Level Cooperative Society, which will arrange to disburse them individually or to their groups or to their existing cooperatives and it will be the responsibility of the society to watch its utilisation and ensure speedy and prompt recovery of its dues. The CFA will appoint special recovery assistant in the area of operation of each Block level society and bear its cost.

Finance required for capital expenditure for procurement of tools and equipment etc., will be provided by the Khadi and Village Industries Commission. The working capital finance provided by the Commission will be made available to the Block level society on the same terms and conditions as may be laid down by the Commission. The Production and marketing finance available from the R.B.I will be routed through the Apex Cooperative Bank and the CFAs. on the usual terms and conditions. The State Government may consider the question of subsidising the interest rate to the extent required on the merits of each case.

The society will also be granted all financial assistance by the Government under the State aid to Industries Rules and the existing schemes under SSI. 11, such as Government share capital contribution on 1:2 basis, loan for purchase of share by individual members @ 75% of the cost of the shares, grant financial assistance for purchase of tool and equipment (50% loan and 50% subsidy upto a maximum of Rs 20,000), financial assistance for construction of godowns/work sheds to the extent of Rs 24,000 (2/3 rd as loan and (1/3 rd as subsidy).

Role of the Central Financing Agencies

The success of the proposed society will depend, to a large degree, on making timely and adequate production and marketing finance available to them. The Central Financing agencies will have to shoulder the responsibility of providing such finance to them and it would be advisable for the CFAs, to earmark upto 20% of their loanable funds for providing finance to the artisan members of these societies.

The CFAs would also be required to exercise close supervision over the working of these societies and to enable them to do this as well as to consider the financial needs of these societies it would be necessary for the CFAs to set up a sub-committee consisting of the Chairman of the CFA and two representatives of these block societies in the district.

The C.F.As. should also be prepared to share loss if any suffered by the member societies as this is a useful socio-economic activity for bringing up the weaker sections of the real community. It would be a good idea if loss (if any) are shared by the C.F.A and Government on a 50:50 basis.

Total Financial Outlay

The position about the total number of artisans engaged in 7 industries which are intended to be provided assistance under the proposed scheme as also the rate at which the assistance per artisan and the total funds required for the purpose is indicated in the statement attached. The total number of 2.64 lakh artisans are proposed to be covered over a period of 7 years at a progressively increasing rate. During the first two years 5 and 10 per cent of the artisans are intended to be covered. The total amount of capital expenditure spread over a period of 7 years is estimated to be of the order of Rs. 39 lakhs and Rs. 100 lakhs respectively, the total being Rs. 297 lakhs.

APPENDIX XXXVIII

Industry-wise Production, Sale, Employment and Earnings for the Year 1969-70 Khadi and Village Industries

Sl. No.	Industry	Production (Rs. crores)	Sale (Rs. Crores)	Employment In Lakh Persons)			Earnings (Rs. Crores)
				Full time	Part-time	Total	
1	2	3	4	5	6	7	8
1.	Khadi	25.64	26.09	1.27	9.73	11.00	14.93
2.	Processing of Cereals and pulses	15.11	3.28	0.08	0.33	0.41	0.29
3.	Village Oil	21.11	21.13	0.19	0.11	0.30	1.71
4.	Village Leather	5.59	6.43	0.16	0.13	0.29	1.20
5.	Cottage Match	0.24	0.25	0.01	0.03	0.04	0.03
6.	Gur & Khandsari	19.61	17.60	—	1.14	1.14	2.51
7.	Palm Gur	6.39	7.12	—	3.09	3.09	2.97
8.	NEO & Soap						
	(a) Seed Collection	0.72			1.58		0.66
	(b) Oil Production	0.49	1.47	0.01	0.04	1.67	0.08
	(c) Soap Manufacture	1.40			0.04		0.11
9.	Hand Made Paper	0.61	0.66	0.04	—	0.04D	0.21
10.	Bee-Keeping	1.16	1.16	—	1.24	1.24	—
11.	Village Pottery	2.34	42.3	0.23	0.21	0.44	1.15
12.	Fibre	1.27	1.26	0.08	0.09	0.17D	0.78
13.	C. & B. Industry	1.32	1.39	0.03	0.01	0.04	0.28
14.	Limb Industry	0.19	0.19	0.01	0.02	0.03	0.09
15.	Gobar Gas (Methane)	0.21	—	—	—	—	—
16.	Forest Plant & Fruits for Medicinal Purposes	0.10	0.05	K	0.02	0.02	0.01
17.	Shellac	X	X	K	0.02	0.02	X
18.	Gums & Resins	0.02	0.03	K	0.04	0.04	—
19.	Katha Manufacturing Industry	0.13	0.03	K	0.02	0.02	0.05
20.	Fruit Processing and Preservation	0.01	0.01	K	K	K	X
21.	Cane & Bamboo Industry	0.04	0.04	K	K	K	0.02
TOTAL		103.62	90.62	2.11	17.89	20.00D	27.14

X=Less than Rs. 50,000

K = Less than 500 persons.

D=Does not include casual workers.

SOURCE Statistical Statements to Annual Report 1969-70 of Khadi and village Industries Commission.

APPENDIX XXXIX

Section of Population	Per Capital Consumption of Different Sections of					
	Rural Population			Urban Population		
	1968-69	1980-81	Index with 1968-69 Base	1968-69	1980-81	Index with 1968-69 Base
	(Rs.)	(Rs.)		(Rs.)	(Rs.)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
0-5	127.2	115.1	90.5	133.1	115.1	86.5
5-10	173.4	200.3	115.5	191.3	199.5	104.3
10-20	215.0	255.0	118.6	248.0	258.7	104.3
20-30	260.8	317.7	121.8	311.9	325.6	104.3
30-40	304.3	383.9	126.2	374.6	393.3	105.0
40-50	349.0	485.0	139.0	441.6	497.4	112.6
50-60	401.5	578.1	144.0	518.0	671.2	129.6
60-70	458.7	677.9	147.8	610.8	934.4	153.0
70-80	537.7	794.6	147.8	751.5	1149.6	153.0
80-90	678.6	1002.9	147.8	987.4	1510.5	153.0
90-95	875.1	1293.2	147.8	1344.1	2056.2	153.0
95-100	1544.6	2282.6	147.8	2263.4	3462.5	153.0
All Sections	456.6	644.1	141.1	621.0	865.7	139.4

Source : "Poverty in India" by V.M. Dandekar and Nilakantha Rath, Indian School of Political Economy, 1971, Table 3.6, page. 44:

सत्यमेव जयते

Central and State Schemes for Employment Generation

1. A summary of the Central and State Schemes for employment generation is at pages 415-416.

2. The schemes of Central Ministries covering *inter alia* employment generation in agriculture, industry, etc. are at pages 417-420. This is incomplete and presents the particulars up to April, 1972 only.

3. The schemes of Central Ministries covering *inter alia* employment generation in housing and urban development, nutrition programmes, rural water supply, vocational guidance and training are at pages 421-424. These particulars also are limited to April, 1972.

4. The schemes formulated by the State Governments and Union Territories under specific programmes of employment generation during 1972-73 are at pages 425-449. These cover only 15 States and three Union Territories. As more schemes are under formulation by the remaining States and Union Territories and the particulars are not available under this head, the statements may be deemed as incomplete for the present. Percentage outlay shared by the Centre and the States have not been given in most cases as this information is not available.

5. Some supplementary information is at pages 450-451.

6. The information is based on published documents and that available with the Planning Commission.



Summary of the Central/State Governments Schemes

Sl.No.	Centre/State	Total Outlay (Rs. in Lakhs)	Period to which outlay relates	No. Employed	Nature of employment (Full-time/ Part time)	Nature and Number of the Schemes	Remarks
1	2	3	4	5	6	7	8
<i>Centre</i>							
1	Govt. of India—Central Sector Schemes—Part I.	33,957.87@	Fourth Plan	N.A.	N.A.	(i) Agricultural-3; (ii) Area Development-2; (iii) Drought Prone Area Programme-1; (iv) Dairy-1; (v) Industrial-3; (vi) Agro-Industry-3; (vii) Vocational Guidance and Training-5; (viii) Crash Programme-I and (ix) General-1; <i>Total-20.</i>	@Incomplete
2	Govt. of India—Central Sector Schemes—Part II.	36,619.37@	Fourth Plan	N.A.	N.A.	(i) Nutrition Programme-10; (ii) Housing and Urban Development-9; (iii) Rural Water Supply-3; and (iv) Vocational Guidance and Training-1; <i>Total-23.</i>	
<i>States</i>							
1	Andhra Pradesh	445	1972-73	72.57 lakh man-days.	Full-time/ Part-time.	(i) Rural Area Development-1; (ii) Self-employment-3 and (iii) General-2; <i>Total-6.</i>	
2	Assam	74.64	1972-73	5,220	Full-time/ Part-time.	(i) Agricultural-1; (ii) Minor Irrigation-1; (iii) Poultry-1; (iv) Pisciculture-1; (v) Agro-Industry-1, (vi) Weaving-2; (vii) Water Supply Programme-1; (viii) Self-Employment-1 and (ix) General-1; <i>Total-10.</i>	

1	2	3	4	5	6	7	8
10	Mysore	443.31	1972-73 (For 9 months)	(i) 5,097 (ii) 2,020 and (iii) 36.54 lakh man-days	Full-time (Regular) Trainees Part-time (Casual labour)		(i) Agricultural-4; (ii) Agro-Industry-1; (iii) Industrial-1; (iv) Co-operation and Housing-7; (v) Employment and Training-10; (vi) Health-5 and (vii) Rural Roads-1; <i>Total-29.</i>
11	Orissa	216.22	1972-73	12,109 man-years	Full-time/ Part-time		(i) Agricultural-1; (ii) Minor Irrigation-2; (iii) Pisciculture-1; (iv) Rural Water Supply-1; (v) Roads-3; (vi) Rural Electrification-1; (vii) Industrial-2; (viii) Agro-Industry-1; (ix) Self-Employment-1 and (x) General-2; <i>Total-15.</i>
12	Punjab	132	1972-73	2,043 man-years	Full-time/ Part-time		Rural Roads-1; <i>Total-1.</i>
13	Rajasthan	415.84	1972-73	24,300 and 550	Full-time/ Part-time		(i) Agro-Industry-1; (ii) Dairy-1; (iii) Industrial-1; (iv) Slum Clearance-1; (v) Roads and Slum-Clearance-1; (vi) Building Construction for Schools-1; (vii) Housing-1 and (viii) General-4; <i>Total-11.</i>
14	Tamil Nadu	438.77	1972-73	23,400	Full-time/ Part-time		(i) Rural Roads; (ii) Education; (iii) Vocational Guidance & Training and (iv) Self-Employment; <i>Total-4.</i>
15	Uttar Pradesh	864 and Rs. 1019.43	1972-73 1973-74	(i) 97,712 (ii) 50 and (iii) 65.25 lakh man- days during two years	Full-time Part-time Full-time/ Part-time		(i) Agricultural-2; (ii) Minor Irrigation-2; (iii) Animal Husbandry-1; (iv) Rural Development Programmes-2; (v) Flood Control and Drainage-1; (vi) Water Supply-1; (vii) Education-1 and (viii) General-5; <i>Total-15.</i>

1	2	3	4	5	6	7	8
16	Chandigarh . . .	1.97	1972-73	27 3	Full-time Part-time	(i) Self-Employment (Industrial-1; (ii) Education-1 and (iii) Rural Housing; Total-3.	
17	Dadra and Nagar Haveli . .	0.53	1972-73£	16,800 man-days	Full-time/ Part-time	Agricultural-4; Total-4.	£ Period for some of the schemes is less than one year.
18	Laccadive, Amindive and Minicoy Islands.	0.23	1972-73 (For 6 months)	30	Full-time	Industrial-1; Total-1.	

N.B. 1. N.A. - Not-Available.

2. For a number of schemes, indirect-employment figure is not included because of non-availability.

3. A number of schemes are for more than one year. In such case, figure of employment generation is given in man-days.

Schemes of the Central Ministries—Part I

State and District	Name of the Scheme	Outlay and break up in broad outline (Rs. in lakhs)	Fund given by Centre or the State Government and percent for implementation	Year for taking up the scheme	Agency for implementation in the field	Number of employed			Nature of the Scheme	Target of the Scheme in time, scope & objectives	Remarks
1	2	3	4	5	6	7	8	9	10	11	12
Government of India—Central Sector Schemes.	1. (i) Scheme for development of small but potentially viable farmers.	Rs 6,750 lakhs in IV Plan Expenditure upto 31-3-71: 89 lakhs during 1971-72: Rs. 545 lakhs, outlay for 1972-73 Rs 1,200 lakhs.	100 percent by Centre.	1970-71	Department of Agriculture	..	..	..	Agriculture	Setting up of Small Farmers Development Agencies in 46 districts each catering to 30,000 potentially viable farmers.	
	ii) Scheme for sub-marginal farmers and agricultural labourers.	Rs 4,750 lakhs in IV Plan Expenditure: 1970-71: Rs 6 lakhs; 1971-72: Rs. 201 lakhs; outlay for 1972-73 Rs 600 lakhs.	Do.	Do.	Do.	..	..	..	Do.	Development of subsidiary occupations like animal husbandry, poultry, piggery fisheries etc., provision of adequate marketing and credit facilities and creation of additional employment during slack season to improve the lot of marginal farmers and agricultural labourers. Under this scheme 41 projects each covering 20,000 marginal farmers and agricultural labourers have been set up.	
	2. Scheme for development of dry farming.	Rs. 2,000 lakh in IV Plan. Outlay for 1972-73 Rs 200 lakhs Expenditure in 1970-71: Rs 99 lakhs, 1971-72: Rs 84 lakhs	Do.	Do.	Do.	Do.	Do.	Establishment of 24 pilot projects in 12 States during the IV Plan period. The scheme aims at developing suitable technology for better water management, evolving suitable cropping patterns taking into account the inter-relation between climatic parameters and crop growth, setting up norms for efficient use of fertilisers under dry land conditions, designing improved varieties of implements for tillage etc.

[illegible]

(c) A model scheme for conducting Area Skill Surveys on Pilot basis has been finalised. It is proposed to take up the Pilot studies in five or six areas in the first instance.

For training engineering entrepreneurs for self-employment and to provide assistance (②) Rs 2,000 per year to individuals) to 6,000 persons in the Plan period.

Further training of I.T.I. certificate holders and apprentices with a view to enabling them to take up self-employment.

To enable elected village artisans to upgrade their skills in trades like carpentry, blacksmithy, masonry and pottery, and trained in repair and maintenance of agricultural implements, machinery tractors, pumps, diesel engines, electric fittings and connections etc. so as to enable them to establish collectively or individual enterprises based on local resources and local markets.

For training 1,500 engineers and diploma holders during the Fourth Plan period for operation and maintenance of Thermal power stations.

To consider the recommendations of the Dartwala Committee and suggestions made by various organisations on these recommendations.

Provision of employment through execution of projects which are essentially labour intensive and would result in durable assets such as minor irrigation, land reclamation, construction of roads etc. In each district it is intended to provide employment to about 1,000 persons for 10 months in a year.

(ii) (a) Training of engineering graduates/diploma holders with a view to facilitate self-employment.	Rs. 300 lakhs in IV Plan Rs 100 lakhs for Training and Rs. 200 lakhs for providing additional assistance.	Do.	1971	Department of Industrial Development and Department of Labour and Employment.	..	..	..	Do.	For training engineering entrepreneurs for self-employment and to provide assistance (②) Rs 2,000 per year to individuals) to 6,000 persons in the Plan period.
(ii) (b) Training of I.T.I. certificate holders and apprentices.	No separate plan allocation.	Do.	..	Department of Labour & Employment.	..	..	..	Do.	Further training of I.T.I. certificate holders and apprentices with a view to enabling them to take up self-employment.
(ii) (c) Training of rural artisans.	Rs. 5 lakhs for each project agency (This scheme forms integral part of the projects for SFDA).	Do.	..	Department of Industrial Development.	..	..	..	Vocational Guidance and Training.	To enable elected village artisans to upgrade their skills in trades like carpentry, blacksmithy, masonry and pottery, and trained in repair and maintenance of agricultural implements, machinery tractors, pumps, diesel engines, electric fittings and connections etc. so as to enable them to establish collectively or individual enterprises based on local resources and local markets.
(ii) (d) Training of engineering graduates/diploma holders for operational/maintenance of thermal power station.	Rs 50 lakhs in IV Plan.	Do.	1969	Ministry of Irrigation and Power.	..	..	..	Do.	For training 1,500 engineers and diploma holders during the Fourth Plan period for operation and maintenance of Thermal power stations.
9. (i) Improvement in Employment statistics.	..	..	1971	Planning Commission.	..	..	..	General	To consider the recommendations of the Dartwala Committee and suggestions made by various organisations on these recommendations.
(ii) Crash scheme for Rural Employment.	Rs 15,000 lakhs for 3 years viz. 1971-72 to 1973-74 @ Rs 5,000 lakhs per annum. Outlay sanctioned for 1971-72, Rs 4,712 lakhs and amount released Rs 3,900 lakhs.	100 per cent by Centre.	1971-72	Department of Agriculture.	..	..	1000 persons for ten months in a year in each district of the country	Crash Programmes.	Provision of employment through execution of projects which are essentially labour intensive and would result in durable assets such as minor irrigation, land reclamation, construction of roads etc. In each district it is intended to provide employment to about 1,000 persons for 10 months in a year.

Schemes of the Central Ministries—PART

State and District	Name of the Scheme	Outlay and break up in broad outline	Fund given by Centre or State Govt. and the percentage of share by them	Year for taking up the Scheme for implementation	Agency for implementation in the field	Number of employed	Nature of the Scheme	Target of the scheme in time, scope and objective	Remarks		
1	2	3	4	5	6	7	8	9	10	11	
Govt. of India, Central Sector Schemes.	1. (i) Nutrition feeding of pre-school children, expectant and nursing mothers.	(i) Rs 2,000 lakhs for 1971-73 to achieve the target. Expenditure in 1970-71 Rs 122 lakhs and 97.1-72 Rs 827 lakhs (amount released during the year). (ii) Rs 500 lakh in IV Plan for distribution of nutrition food. Expenditure in 1970-71: Rs 210 lakhs; 1971-72: Rs 81.44 lakhs. ;	100 per cent by Centre.	1970-71	Department of Social Welfare.	Objective : To provide supplementary nutritive food to children in the age group of 0 to 6 years and expectant and nursing mothers in the priority areas of urban slums and tribal regions. By the end of 1970-71 nearly 6.5 lakh children were covered under the programme. However, at the end of April 1972, approximately 23.23 lakhs (11.56 lakhs in tribal areas and 11.65 lakhs in urban slums) beneficiaries had been covered. The targeted coverage for 1972-73 is 30 lakhs beneficiaries (25 lakhs from tribal areas and urban slums and 5 lakhs from the drought prone rural areas). (ii) A scheme for distribution of nutritive food through Balwadis and Day-Care centres in backward areas is also implemented. By the end of 1970-71, 19,280 children were covered in 467 Balwadis and during 1971-72 the programme was in operation in 5,362 Balwadis covering 1,98,623 children.	
	(ii) School Feeding (State Sector)	Rs 500 lakhs in IV Plan. Expenditure: (i) 1969-70: Rs 532.29 lakhs (ii) 1970-71: Rs 568.38 lakhs and outlay for 1971-72 Rs 640.50 lakhs.	Do.	1969-70	Ministry of Education and Social Welfare.	..	..	..	Do.	The target of beneficiaries being 20 lakhs in IV Plan which is in addition to over 92 lakhs children brought under the programme prior to the commencement of the Fourth Plan.

Objective: The provision of mid-day meals to school going children.

The scheme aims at distribution of folic acid and ferrous sulphate tablets to IUCD cases, tubectomy cases, expectant and nursing mothers and children in the age group of 2 to 6 years with a view to preventing the development of frank anaemia and improving the level of haemoglobin. The target for the Fourth Plan is to cover 180 lakh women and children.

Objective: The administration of Vitamin 'A' by mouth every six months to children in the age group of 2 to 6 years in the States of West Bengal, Bihar, Orissa, Andhra-Pradesh, Tamil Nadu, Mysore and Kerala, Laccadive, Minicoy and Amindive Islands. The target for coverage is 80 lakh children in the selected States.

Objective: To establish an effective field service to improve local diets through production, preservation and use of protective foods.

The scheme aims at training of associate women workers, organisation of demonstration, feeding for children and provision of incentive awards to Mahila Mandals for which provision is made under Central Sector Plan. It also includes extension of nutrition education through Mahila Mandals and strengthening of supervisory machinery, for which provision is made in the State Sector Plan.

(iii) Prophylaxis against nutritional anaemia among mothers.	Rs 200 lakhs in IV Plan. Expenditure in 1969-70—Nil; 1970-71—Rs 10.77 lakhs; 1971-72—Rs. 40.03 lakhs; outlay for 1972-73—Rs 48 lakhs.	Do.	1969-70	Department of Family Planning.	..	..	..	Do.	
(iv) Control of blindness in children caused by Vitamin 'A' deficiency.	Rs 40 lakhs in IV Plan. Expenditure in 1969-70—Nil; 1970-71—Rs 7.34 lakhs; 1971-72—Rs 7.80 lakhs; outlay for 1972-73—Rs 12 lakhs.	100 percent by Centre.	1969-70	Department of Family Planning.	..	..	..	Nutrition programme.	
(v) Applied Nutrition programme	Rs 1000 lakhs in IV Plan. Expenditure in 1969-70—Rs 164.78 lakhs; 1970-71—Rs 164.50 lakhs; 1971-72—Rs. 166 lakhs (expected) against the budget provision of Rs 220 lakhs. Budget provision for 1972-73—Rs 170 lakhs.	Do.	Do.	Department of Community Development.	..	..	..	Do.	
(vi) Composite programme for women and pre-school children.	Rs 290 lakhs in IV Plan. Expenditure in 1968-73—Rs. 375 lakhs; 1970-71—Rs 32.21 lakhs; 1971-72—Rs 35.02 lakhs; Provision for 1972-73—Rs. 54 lakhs.	Do.	Do.	Do.	..	..	..	Do.	

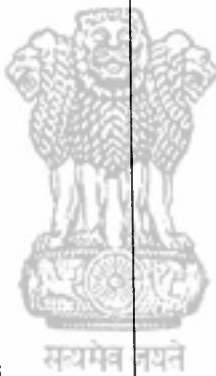


1	2	3	4	5	6	7	8	9	10	11	12
Govt. of India - Central Sector Schemes (Contd.)											
(vii) Production of groundnut and soya floor.	Amount released in 1971-72-Rs 19 lakhs; provision for 1972-73- Rs 65.75 lakhs.	100 per cent by Centre.	1971-72	Department of Food.	..	..	..	..	Nutrition programme.	<i>Objective:</i> To develop food pro- ducts for food and industrial uses based on soyabean, the cultivation of which is being considerably increased in a crash programme. Research and soyabean products and their commercial production and utilisation would be deve- loped in the pilot plant with a view to ensuring that the soya- bean products would have con- sumer acceptance regarding flavour, nutrition, colour and texture besides ensuring that the low income groups would be able to purchase them.	
(viii) Production of Balahar and other low cost protein food	Rs. 670 lakhs (revis- ed) in IV Plan. Ex- penditure in 1969- 70- 23.97 lakhs; 1970-71-Rs 37.49 lakhs; 1971-72-Rs 68.88 lakhs; provi- sion for 1972-73-Rs 140 lakhs.	Do.	1969-70	Department of Food.	..	..	..	..	Do.	The scheme visualises the pro- duction over the Fourth Plan period, of 1.75 lakhs tonnes of low cost protein food items such as Balahar, for distribution to children free of cost alongwith JAKL commodities.	
(ix) Production of weaning food.	Rs. 20 lakhs in IV Plan. Expenditure in: 1970-71-Rs. 8.83 lakhs; 1971-72- Rs 1.66 lakhs; Pro- vision for 1972-73- Rs 5 lakhs.	100 per cent by Centre.	1970-71	Department of Food.	..	..	..	..	Nutrition programme	It aims at increasing the availa- bility of low cost nutrition food. A project has been taken up by the Govt. of India in collabora- tion with Messrs. Khana Res- tict Co-operative Milk Pro- ducers Union Ltd. And Gulab with UNICEF and USAID assistance for the pro- duction of 6,000 tonnes of Bal Annul per annum.	
(x) Pilot plant for protein isolate and protein isolate tin- ned milk.	Rs 26 lakhs in IV Plan. Expenditure in: 1970-71 and 1971-72-Rs. 52 lakhs; provision for 1972-73- Rs 15 lakhs.	Do.	Do.	Do.	..	..	..	..	Do.	Promoting the use of available oil seeds for production of protein isolate toned milk (mil- kone) in order to replace the imported skimmed milk pow- der as well as to increase the total milk supply. As part of these efforts the capacity of the existing 'Milkone' unit set up by CIFTRI at Bangalore will be increased to 5,000 litres per day.	

2. (i) Establishment of housing and urban development corporation.	Rs 1,000 lakhs in IV Plan—Authorised capital.	Do.	..	..	..	Ministry of Works and Housing.	..	Housing and Urban Development.	With a view to accelerating housing and urban development programmes in the country, a Housing and Urban Development Corporation has been set up with the authorised capital of Rs 10 crores. The capital at present is Rs 4 crores. The target is to build up a revolving fund of Rs 200 crores over the next few years.
(ii) Office and residential accommodation for Central Govt. Servants.	Amount spent in 1969-70—Rs 390 lakhs; 1970-71—Rs 355 lakhs; provision for 1971-72—Rs 513 lakhs and amount spent upto the end of March, 1972—Rs 544 lakhs; Outlay for 1972-73—Rs 745 lakhs.	Do.	1969-70	Do.	..	..	..	Do.	A phased programme for the provision of office and residential accommodation for Central Government servants at different centres is now under implementation.
(iii) Housing scheme in the State Sector.	Rs 4,078 lakhs in IV Plan (incomplete figures as the outlay for number of Schemes under the head of Housing Schemes in the State Sector has not been given.)	Do.	1969-70	Do.	..	..	..	Do.	To implement Housing Scheme e.g. integrated subsidiary housing scheme for in dustrial workers and economically weaker sections of the community; Low Income Group Housing Scheme; Slum Clearance and Improvement Schemes; Middle Income Group Housing Scheme; Rental Housing Scheme for State Govt. Employees; and Acquisition Development Scheme.
(iv) Development of new metro centre, Bombay.	..	..	..	Do.	..	..	..	Do.	The area under the Panvel Creek in Bombay is proposed to be developed as a new metro centre and a City and Industrial Development Corporation has been set up for this purpose.
(v) Development of Calcutta Metropolitan Region.	Rs 4,454 lakhs for 1971-72 and expenditure reported Rs. 3,971 lakhs. Expenditure in 1969-70—Rs 307 lakhs; 1970-71—Rs 1,853 lakhs; outlay for 1972-73—Rs 5,950 lakhs.	100 per cent by Centre.	1971-72	Do.	..	..	..	Do.	The following schemes are conveyed under the D.C.M. (i) Water Supply, (ii) Sewerage and Drainage, (iii) Garbage Disposal and Environmental Hygiene, (iv) Traffic and Transportation, (v) Special Projects, like Gas Distribution system in Calcutta; Provision of Hospital facilities and construction of primary school in-

1	2	3	4	5	6	7	8	9	10	11
Govt. of India Central Schemes (Contd.)										
(vi) Development of three satellite towns around Madras.	Rs 1,125 lakhs in IV Plan. Expenditure in 1971-72 Rs 2,29 lakhs.	100 per cent by centre	1971-72	Ministry of Works and Housing	..	..	..	..	Housing and Urban Development	The scheme for the development of three towns involves: (a) preparation of plans, (b) acquisition and development of land (c) strengthening of the infrastructure of the towns and (d) establishment of housing colonies and industrial and other work centres.
(vii) Village Housing Projects scheme	Rs 516.30 lakhs in IV plan of which Rs 229.40 lakhs for 1972-73.	Do.	..	Do.	..	..	..	..	Do	This scheme is implemented by the State Governments as part of their annual plan programme. The physical target during 1972-73 being completion of 1,743 houses.
(viii) Provision of House sites to landless agricultural workers	..	..	..	..	..	..	..	..	Do.	This scheme visualises the allotment of free house-sites to landless agricultural labourers. It has been taken up for implementation in Andhra Pradesh, Gujarat, Kerala, Mysore and West Bengal.
(ix) Subsidised housing schemes for plantation workers.	Rs 200 lakhs in IV Plan. Amount allocated in 1970-71: Rs 42 lakhs, 1971-72: Rs 49.98 lakhs. Amount drawn in 1970-71 Rs 41.80 lakhs; 1971-72 Rs 19.04 lakhs.	100 per cent by Centre	1970-71 (see Col. II also)	..	..	..	..	..	Do.	This scheme has been transferred from the State sector to Central Sector since April 1, 1970 for implementation during the Fourth Plan period by the Govts. of Assam, Kerala, Mysore, Tamil Nadu, Tripura and West Bengal (All Plantation States).
3. (i) Rural water supply scheme in the State Sector.	Rs 12,449 lakhs in IV Plan. Expenditure in 1969-70 Rs 1827 lakhs; Amount allocated in 1970-71 Rs 2,158 lakhs; 1971-72 Rs 2,988 lakhs. Outlay for 1972-73 Rs 3,760 lakhs.	Do.	1969-70	Department of Health	..	..	..	..	Rural water supply (Rural Works Programme)	Objective : To extend drinking water supply facilities in the rural areas of States and Union Territories. This would result in extension of piped water supply facilities to 10,369 villages in the Plan period, the target for 1971-72 being 2,656 villages.

(ii) Appraisal and drawing up of rural water supply scheme.	Rs 350 lakhs in IV Plan. Expenditure in 1968-70 Rs 84.18 lakhs; 1970-71 Rs 66.14 lakhs; Expenditure in 1971-72 Rs 106.67 lakhs; Outlay for 1972-73 Rs 90 lakhs	Do.	Do.	Do.	..	..	..	Do.	With a view to collecting data and preparing feasibility reports in regard to provision of drinking water supply facilities in the areas of cholera endemic and guinea worm infested and scarcity areas which are permanently disadvantaged.
(iii) Ground water exploitation.	Rs 46.32 lakhs in IV Plan. Expenditure in 1969-70 Nil; 1970-71 Rs 5.82 lakhs. Amounts provided during 1971-72 Rs 11.59 lakhs.	Do.	Do.	Do.	..	..	..	Do.	100 drilling rigs are to be obtained from the UNICEF during the Fourth Plan period so as to undertake the installation of 12,000 handpump tube wells and 200 power driven tube wells in the rocky areas.
(iv) Training of Public Health Engineering Personnel.	Rs 25 lakhs in IV Plan. Amount spent in 1969-70 Rs 1.42 lakhs 1970-71 Rs 1.29 lakhs 1971-72 Rs 0.92 lakhs (upto Jan 1972). Outlay for 1972-73 Rs 2 lakhs.	Do.	Do.	Do.	..	..	..	Vocational guidance and training	Objective : To organise training courses for various categories of public health engineering staff. In all 1,825 persons are to be trained in the Plan period.



Schemes of State Governments

State and District	Name of the Scheme	Outlay and break up in broad outline	Fund given by Centre or State Govt. & the percentage of share by them	Year for taking up the scheme for implementation	Agency for implementation in the field	Number of employed			Nature of the Scheme	Target of the scheme in time, scope and objective	Remarks
						Direct	Indirect	Total			
1	2	3	4	5	6	7	8	9	10	11	12
Andhra Pradesh	1. Rural Engineering and Planning Survey	Rs 75 lakhs	Rs 75 lakhs @ by Govt. (100%)	Aug. 1972	Planning and Co-operation Department +	1,260		1,260 (4.16 lakhs man-days)	General		
											<p>The scheme will be implemented for the remaining period of the Fourth Plan and it is proposed to continue the scheme during the initial years of the Fifth Plan.</p> <p>Scope : The Data collected by the surveys will facilitate preparation and implementation of the following as part of the Minimum Needs Programme.</p> <p>A. Rural works programme: Rural Roads; Rural Electrification; Land use Planning; Soil Conservation on Agricultural Lands; Construction of Minor Irrigation (Surface Works); and Rural Water Supply.</p> <p>B. Special Works for Harijans and poor Sections of villages:— Irrigation works; electricity for street lighting and schools; drinking water and house sites.</p> <p>Objective : Preparation of schemes with proper inter-priority and based on "analysis" of engineering and technical possibilities in furtherance of the investment strategy proposed by the District Collector. The programme will be implemented in the districts through the District Collector. The</p>



by the perspective plans for Rayasacra, Tetan-gas as also the plan for Coastal Andhra.

schemes will be implemented by the concerned departments.

	Rs 145.00@ lacs by Govt. (100%)	1972-73	Do.	42.35 lacs man- days	..	42.35 lacs man- days	Rural Development Schemes	Objective:
2. Integrated Rural Development Schemes	Rs 145 lakhs							Providing financial assistance to small farmers and new assignee pattern for development of land (levelling, bunding, channeling etc.); for provision of water resources through well sinking (both, individual and community) lift irrigation or minor irrigation Programme and for provision of production finance at these facilities with restricted rights of alienation are not able to secure institutional finance.
			Do.	..	..	9.63 lacs man- days	(Self-employment)	Objective: To improve the economic and social conditions of the weaker sections by enabling them to undertake subsidiary occupations and secure regular income.
3. Schemes for providing economic support for weaker sections	Total Rs 53.50 lakhs	Rs 53.50 lakhs	Do.	..	..	per year (Direct and Indirect)		
A. (i) Works Programme	Rs 20 lakhs					..		
(ii) Dairy Programme	Rs 25 lakhs					..		
(iii) Transportation of Milk	Rs 1.60 lakhs					..		
(iv) Rope crushing units	Rs 3 lakhs					..		
(v) Sprayers	Rs 1.40 lakhs					..		
B. Technical Services	Rs 2.50 lakhs					..		
4. Schemes for Modernisation of traditional occupations	Rs 9 lakhs (Total)	Rs 9 lakhs by Govt. (100%)	Do.	..	..	9.9 lacs man- days	Do.	Objective: To modernise the traditional occupations by providing financial assistance for purchase of improved tools and equipment to enable assured income and honourable life for the persons in traditional occupations. Through the execution of these
(i) Washerman	Rs 2 lakhs							
(ii) Barbers	Rs 2 lakhs							
(iii) Toddy tappers	Rs 5 lakhs							



1	2	3	4	5	6	7	8	9	10	11	12
Andhra Pradesh (Contd.)											
	5. Schemes for provision of margin money to transport co-operatives	(107.50) Rs 13.90 lakhs (Total)	Rs 13.90 lakhs Govt. (12.9%) and Rs 93.60 lakhs Institutional credit (87.1%)	1972-73	Planning and Co-operation Department@	..	..	1,150 Persons or 5.28 lakh man-days	Self-employment		Under Col.3 figures show total outlay Govt. and Institutional Credit.
	(i) Taxi Drivers Cooperatives	Rs 2.50 lakhs (Rs 25 lakhs)									
	(ii) Auto-Rickshaw Drivers Cooperatives	Rs 3.50 lakhs (Rs 35 lakhs)									
	(iii) Lorry Drivers Cooperatives	Rs 4.40 lakhs (Rs 44 lakhs)									
	(iv) Rickshaw Driver Cooperatives	Rs 3.50 lakhs (Rs. 65 lakhs)									
	6. Schemes for the improvement of professional services	Rs 33.50 lakhs									
	Establishment of:										
	(i) Agro service Centres	Rs 1.50 lakhs (Rs 15 lakhs)	Rs 33.50— Govt (51.5%) and Rs 31.50 lakhs Institutional Credit (48.5%)	Do.1	Do.	..	..	1.25 lakh man-days	General		Objective : To provide employment opportunities to the technical and skilled persons in their respective trades, and in areas where professional services are required. The scheme will cover atleast 210 technical persons and also number of skilled workers and create additional means for assured income, for them besides meeting the needs of rural communities.
	(ii) Poly clinics	Rs 20 lakhs									
	(iii) Printing units	Rs 15 lakhs									
	(iv) techno co-operatives.	Rs 15 lakhs									
Assam	1. Survey and investigation of (a) Monoi Irrigation Scheme, (b) Barak Irrigation Scheme, (c) Dhansiri (south) Irrigation Scheme, (d) Kopilli Irrigation Scheme, Phase I.	Rs 14,22,900 for one year.	..	1972-73	Flood Control and Irrigation Department Assam Gauhati	..	..	130 Persons	Minor Irrigation		To carry out survey and investigation of few specific irrigation schemes in the basin of rivers Monoi in Darrang district, Barak in Kamrup district, Dhansiri in Sibsagar district and Kopilli in North Cachar Hill districts.
	2. Supply of sewing machines to unemployed tailors.	Rs 91,000 for one year	..	Do	P and Q.D. Department	..	..	260 persons	Self-employment		To distribute sewing machines to 260 unemployed persons (at the rate of two machines per block among deserving persons) trained in the

art of tailoring from recognised Institution.

It is proposed to provide employment to unemployed educated youths in the villages by providing Poultry units of Hyderabad birds. Eggs will be sold in the market by the youths.

To renovate ten old tanks for the purpose of Pisciculture.

Objective - If old tanks in the States are renovated and excavated, these can be utilized for (i) rearing fish and (ii) wheat cultivation. From these projects: (a) people will get employment, (b) production of Fish will increase, (c) hygienic condition of the area will improve, (d) irrigation purposes for wheat and Boro cultivation will be served.

The scheme envisages opening up new forest areas for plantation and regeneration operations so that besides generating fresh employment potential, new sources of forest revenue are also created not only on long terms basis by converting areas of low to medium productivity to managed forests, but also immediate revenue resources by way of sale of forest produce from sites cleared for plantation and regeneration work— which is expected to pay back about 50% of the expenditure on the scheme within about 5 years or so.

3. Individual Poultry Farming (Deep Litter system house)

Rs 7,54,000

Do

Do

520 Persons

Poultry

4. Pisciculture

Rs 3,73,400

Do

Do

470 Persons

Pisciculture



5. A scheme on special Employment Programmes : (a) Opening of ten new regeneration centres at Lakhapali and Jeypore Reserve in Dighol Division, (b) Harvesting and planting up of sal Forests of Nowgong Division (c) Stepping up of harvesting and planting up in forest areas of Lakhimpur Division (d) Construction of extraction roads:

Rs 1.68 lakhs

Rs 1.75 lakhs

Rs 3 lakhs

Rs 2 lakhs

(i) Dibrugarh Division.
(ii) Sibsagar Division.

Total Rs 13.11 lakhs. Rs 6.555 lakhs (50%) by centre and 6.555 lakhs (50%) by State for one year.

1,918 persons for one year

Agricultural

1	2	3	4	5	6	7	8	9	10	11	12
Assam (Contd.)	6. Scheme for sericulture industry under special employment programme.	Ra 3.58 lakhs per year.	Ra 1.79 lakhs (50%) by Centre and Ra 1.79 lakhs (50%) State.	1972-73	Sericulture and Weaving Department	..	..	600 persons	Weaving	To give necessary financial aid to the unemployed or under-employed people of the State who are naturally inclined to take up the Sericulture industry consisting of Pili, Muga and Mulberry culture as a means of their sustenance where the climate is highly conducive.	
	7. Scheme under special employment programme for handloom Weaving.	Ra 6.26 lakhs per year.	Ra 3.13 lakhs (50%) by Centre and Ra 3.13 lakhs (50%) by State.	1972-73	Do.	..	..	1,000 persons	Weaving	To bring in unemployed youths in the Weaving Industry offering all the facilities as provided in the scheme in the areas of the existing Weavers' Extension Service Units, so that they can take up the Industry gainfully in commercial line under the supervision and guidance of the Department. If these looms with weavers can be organised now as envisaged in the scheme, gradually switch on from cotton and spun silk yarn to blended yarn can be made when blended yarn will be available from the Petro-Chemical Complex.	
	8. Scheme of the Golaghat Agro Ser-vices Co-op. Society Ltd.	Ra 11.5 lakhs per year.	..	1972-73	Golaghat Agro Ser-vices Co-op. Society Ltd.	..	..	30 persons	Agro-Industry.	Objective : (i) To provide on, hire Tractors and other agricultural machinery to agriculturists; (ii) establish workshop for undertaking servicing, repairs of Tractors and other agricultural machinery; (iii) distribute spare parts of Tractors and other agricultural machinery; (iv) run fuel station/gasolene pump for distribution of diesel and oil and other	

lubricants; and (v) provide employment opportunities to engineers and to engineers and I.T.I. trained personnel apart from unskilled personnel.

It is intended to strengthen the department so that the detailed design and estimates for maximum number of towns and villages can be made ready within the shortest possible time. Although, the financial implication of the scheme is worked out for 2 years only for satisfactory performance, the scheme will have to continue. Within the period of 2 years the department will be ready with 20 urban and 1,000 villages water supply schemes and 3 sewerage schemes. *Objective :* (i) To establish manufacturing sections for pesticides, insecticides, bricks etc., (ii) to undertake all types of construction works; (iii) to provide employment opportunities to Graduate Engineers and other technical and non-technical personnel.

The scheme is for electrification of wells in villages. However, the village proper for electrification for domestic, street light and industrial purposes is also considered as secondary benefit. There are good number of diesel engines in Surendranagar and extension of electrification in villages will be helpful for conversion of diesel pump sets to electrically driven. Under

9. Special Employment Programme for Water Supply.
Rs 6,77,220 for 1972-73 (6 months)
and Rs 11,50,668 for 1973-74
Total Rs 18,27,888

1972-73
Public Health Engineering Department

242
Persons
Water Supply Programme

10. Establishment of Rs 7 lakhs of Engineers Co-operative.

1972-73

50
persons
General

1. Rural Electrification.
Rs 99.14 lakhs

1972-73

Rural Electrification

Gujarat

1	2	3	4	5	6	7	8	9	10	11	12
Gujarat (Contd.)											
2. Afforestation of denuded forest area and road side plantations.		Rs 44.52 lakhs		1972-73				299 persons (i.e. 10 lakh man-days)	Agricultural		this scheme 85 villages, 3,189 agricultural wells will be electrified. It is proposed to undertake road side plantation along 300 kms. and plantations in denuded areas to the extent of 5,700 hectares in the first instance.
3. Minor Irrigation Schemes—Percolation Tanks.		Rs 25 lakhs		1972-73				5.00 lakh man-days	Minor Irrigation		If at least two percolation tanks are constructed in each district, they will not only maintain sub-soil water level but also help in providing employment to needy persons.
4. Pilot Project for reclamation of Khar lands in Surat and Bulsar Districts.		Rs 24.26 lakhs for 1972-73; Rs 27.76 lakhs for 1973-74; Rs 30.16 lakhs for 1974-75		1972-73				Total 17.00 lakh man-days (4.00 lakh man-days during 1972-73)	Agricultural		It is proposed to undertake Dalasa Scheme (Taluka Choras) in Surat District covering an area of 3,000 acres of Khar land and Vausi-Bors-Scheme, Taluka Navari in Bulsar District covering about 1,400 acres of khar land. Thus total area of 4,400 acres is proposed to be undertaken for reclamation for increasing agricultural production.
5. Field Protective Bunds in Surendranagar District.		Rs 10 lakhs		1972-73				2.00 lakh man-days	Do.		To repair the flood protective bunds in Surendranagar District.
6. Industrial Training Programme.		Rs 7.245 during 1972-73. Total estimated cost Rs 14.912		1972-73					Industrial		Instead of the present strength of 303 trainees trained in a year, about 500 trainees will be trained yearly besides 400 trainees to be trained in Chemical and cosmetics section.

7. Financial assistance to artisans.	Rs 20 lakhs for 1972-73	..	1972-73	..	..	1,000 persons	Self-employment	To provide financial assistance to the artisans.
8. Rural Industrial Estate with free common facilities.	Rs 50.00 lakhs for 1972-73	..	1972-73	..	..	..	Industrial	To establish 10 small rural industrial estates each having 10 sheds, with subsidy for developed land and sheds and almost free common facilities of machinery and marketing arrangements etc. where there is potential for growth of good number of small industries.

9. Educated Unemployed Career Development Courses (i) Stenography course (ii) —(iii) Additional National Defence Academy Admission Training Course (iv) English Language Improvement Course. (v) Special Training Course for the Project Evaluators and Reporters in Industrial Production Fields (vi) Indian Institute of Management Admission Course (vii) Manufacture of Chemicals at Gujarat College for Distribution to the Teaching Institutions (viii) Training of Personnel Required for operation, Maintenance of Equipment at FWD Works.	Rs 21.61 lakhs for 1972-73	..	1972-73	1,108 persons	Vocational Guidance and Training	Objective : To introduce the career development courses to improve the employability of educated unemployed as well as their preparation of a career through education and training. Through 8 programmes as indicated in Col. 2, it will cater to the needs of 1,103 educated unemployed persons under these short term career development courses in a year.
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सत्यमेव जयते

TOTAL: Rs 901.78 lakhs during 1972-73

1	2	3	4	5	6	7	8	9	10	11	12
Manipur	Schemes for surveys and investigation for Master Plan for Irrigation/Power in Manipur.	Rs 13 lakhs	..	1972-73	Ministry of Irrigation and Power	760 persons	Minor Irrigation	To provide irrigation facilities in Manipur.	
Meghalaya	1. Minor Irrigation	Rs 0.50 lakh	..	1972-73	..	6,000 man-days	..	6,000 man-days	Minor Irrigation	(1) To provide employment to rural skilled and unskilled labour and at the same time create permanent irrigation facilities; (2) To assist the farmers in replacing the weak structure and to take new schemes where possible. It is proposed to assist 50 farmers to take up such schemes during 1972-73.	
	2. Rural Housing	Rs 4.50 lakhs	..	1972-73	..	20,000 man-days	32,000 man-days	52,000 man-days	Rural Housing	A scheme to provide the minimum living condition in Meghalaya. It is proposed to construct 90 units during 1972-73.	
	3. Rural Transport	Rs 5 lakhs	..	1972-73	..	13,500 man-days	21,600 man-days	38,100 man-days	Rural Transport	To put more 'Razars Jeeps' in operation. To ensure lifting of the increased agricultural produce from the rural areas and to support agricultural development programme in these areas. This will help the agriculturists and create employment for the semi-educated unemployed youths in urban and rural areas.	
Harvana	1. Living of Hansi Branch.	Rs 83.46 lakhs	..	1972-73	..	..	..	31,180 person for 9 months (8.60 lakh man-days)	Minor Irrigation	It envisages lining of 4½ miles strip of old earthen channel of Hansi Branch by pre-cast cement concrete blocks.	
			..							<i>Benefit:</i> (i) It would save absorption losses to the extent of 18 cusecs. The water thus saved will bring under irrigation	

4,983 acres thereby producing an additional crop worth Rs. 24.33 lakhs; (ii) large tracts lying waste on both sides of Hansi Branch due to water logging will be reclaimed; (iii) Capacity of channel will get increased to accommodate supplies required for schemes being executed for drought affected areas.

It envisages solving and metalling of 1,725 km. roads in the State.

17.00 lakhs man-days

Maryana P.W.D.B. & R Branch.

1972-73

2. Soling and metalling of roads in the State. Rs 65 lakh

There are four schemes to be implemented under this programme: (a) Raising of nurseries and afforestation (Rs 10 lakhs); (b) Soil conservation works along 354 km. Hills covering 354 hectares (Rs 2.13 lakhs); (c) Afforestation along railway strips covering 1,000 R.K.M. with fuel plantation (Rs 4 lakhs); (d) Construction of 10 K.M. jeepable road and 60 km. inspectable roads in Morni hills where means of communication are quite inadequate (Rs 2.60 lakhs).

1,251 persons for 9 months

Forest Department

1972-73

3. Afforestation and soil conservation. Rs 20 lakhs

*Out of the total amount viz. Rs 604 lakhs Rs 164 lakhs from the Government and the remaining Rs 440 lakhs from the institutions.

Total Self-Employment Persons

1972-73

Total Rs 604* lakhs

Special Programme for Rural Educated Unemployed Schemes under the programme.

Jammu & Kashmir

1	2	3	4	5	6	7	8	9	10	11	12
Jammu & Kashmir (Contd.)	1. Provision Store.	Rs 172.50 lakhs	..	1972-73	..	..	..	1,500 persons	..	1. To help the educated unemployed to set the such 500 units, keeping provision for 1,000 additional units during the course of two years. Each person who sets up this unit will be given a loan of Rs 10,000. In view of the expansion of electrification programme more and more villages will be supplied with electricity and consequently the demand for powerloom driven rice huckers will also increase. Accordingly, 500 rice hucking units will be set up under this programme. Each unit holder shall be provided with a loan of Rs 1,000.	
	2. Rice huckers	Rs 57.50 lakhs	..	Do.	..	..	..	500 persons	..	To set up 300 shook manufacturing units especially in the Baramulla and Srinagar Districts where there is ample scope for setting up shook manufacturing units. Each manufacturing unit will be provided with a loan of Rs 10,000.	
	3. Shook Making	Rs 34.50 lakhs	..	Do.	..	..	..	800 persons	..	To set up 100 agro-service centres, keeping provision for 400 additional centres during the course of two years, at such places where such facilities of agriculture techniques, are not readily available. Each unit holder shall be provided with a loan of Rs 10,000.	
	4. Agro-service Centres.	Rs 57.50 lakhs	..	Do.	..	..	..	500 persons	..	1,400 poultry units are to be set up which will be more or less on the pattern of poultry units set up under SFDA/	
	5. Poultry Keeping	Rs 133 lakhs	..	Do.	..	..	..	1,400 persons	..		

MFAL. Each educated unemployed youth, selected under this scheme will be provided with a loan of Rs 8,000.

1000 units are to be set up. A loan of Rs 5,000 will be provided to each unit holder taking to vegetable on cultivation on one acre. For such a loan of Rs 5,000 will be provided to unit holder taking to bee-keeping with 50 hives to start with.

To provide occupational employment opportunities to unemployed educated persons in such a manner that these educated persons are capable to earn livelihood solely through private occupation. 500 units are to be set up under this programme. A loan of Rs 10,000 will be provided to each unit holder.

100 units are to be set up. A loan of Rs 10,000 will be provided to each unit holder to start with. *Objective :* (i) to provide facilities for self-employment for educated youths in rural Areas; (ii) to utilize their educational talent for the improvement of agriculture practices; (iii) to utilize two acres of land for establishing an orchard and raise sheep in this area; and (iv) to utilize surface areas available in the orchard for production of fodder requirements of raising sheep and utilisation of their dung and urine.

6. Vegetable cultivation and bee-keeping. Rs 65 lakhs .. Do. .. 1,000 persons

7. Dairying and Fodder Cultivation. Rs 57.50 lakhs .. Do. .. 500 persons

8. Orchard-cum-Sheep Raising Rs 11.50 lakhs .. Do. .. 100 persons



4. Training Centre	Rs 83,200	..	Do. (existing scheme)	..	..	..	50 persons	..	To raise the number of trainees from 30 to 100 for imparting training to ladies in tailoring/embroidery, knitting etc. each year.
5. Nanda Manufacturing Unit	Rs 6,68,389	..	1972-73	..	..	..	180 persons	..	..
6. Papier Mashe Units	Rs 1,25,870	..	Do.	..	..	..	30 persons	..	..
7. Wood Carving Unit Bulbul Lan-ker, Srinagar	Rs 47,550	..	Do.	..	..	..	23 persons	..	..
8. Nanda factory Centre Sheikh Mohalla Maharaj Gunj.	Rs 71,300	..	Do.	..	..	..	20 workers	..	..
9. Fur (Leather) Tanning and Dyeing and Manufacturing Units	Rs 1,90,920	..	Do.	..	..	..	20 persons	..	..
10. Grewal Embroidery Faiber Masjid, Srinagar.	Rs 47,920	..	Do.	..	..	..	20 persons	..	..
1. (i) Minor Irrigation Schemes	Rs 1,64,72,390	..	1972-73	..	..	..	19.76 lakhs man-days	Minor Irrigation	(i) There are 197 works under various categories like improvement of Canals, tanks, cross-drainage works, flood protection works etc. On implementation of these works, a total area of 17,748 acres of land will be benefited. (ii) To provide water to sugarcane growers in the sugarcane area.
(ii) Construction of the Moolathara Right Bank Canal.	Rs 24 lakhs	..	Do.	650 persons for 400 days	Do.	The scheme is intended to serve the Sugar Cane Area in Chittur. This is an essential project since the main Chittur-puzha scheme is not capable of irrigating approximately 3,000 acres of the sugar cane area of Chittur taluk.

Kerala

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Kerala (Contd.)											
2. Tribal Colony Scheme (i) S.C. Scheme, Acheucil (for 5 months) Quilon.	Rs 0.89 lakhs			1972-73	Soil Conservation Department	15.6 lakh man-days	Soil Conservation Scheme (Agricultural)		The scheme aims at providing ample employment opportunity to many educated unemployed and few educated unemployed in addition to enabling increased agricultural production by conservation of soil and moisture. It is estimated that an approximate quantity of additional topsoil could be produced by adopting soil conservation measures at the rate of 10% increase on an average 310 beneficiaries (families) will be benefited in the Tribal and Harijan Colony Scheme, whereas nearby 1,000 landless agriculturist will be benefited by the soil conservation scheme in the area of 2,100 hectares allotted to them.
(ii) S.C. Scheme, Kottavam for 8 months	Rs 1.04 lakhs										
(iii) S.C. Scheme, Cannanore	Rs 3.61 lakhs										
(iv) S.C. Scheme, Harijan Colony											
(v) S.C. Scheme, Mallapuram District (for 26 months)	Rs 4.85 lakhs										
S. C. Scheme in areable land to be allotted to landless agriculturists (for month)	Rs 40 lakhs										
TOTAL	Rs 50 lakhs										
3. Setting up dispensaries in Panchayat Areas.	Rs 100 lakhs		Rs 50 lakhs (50%) by Centre and Rs 50 lakhs (50%) by State.	Do.	..	..	..	1,500 persons for one year	Medical Health		To provide medical facilities in 200 Panchayats where there is no medical facilities available. For this purpose, one each dispensary will be opened in 200 Panchayats—approximately 20 in each District.
4. A scheme for the establishment of cattle breeding centre cum-bull station at Palghat.	Rs 40 lakhs		..	Do.	Dairy Development Department Trivandrum	..	..	1,140 persons	Dairy		The scheme will maintain a head of Pure Jersey Bulls and produce Cross-bred Bulls fixing the desired percentage of exotic blood and having the capacity to transmit a high milk production potential and other desirable qualities to their off springs to be used in the 3rd generation. They will be used for extensive

Objective: (i) To improve the milk production potential of the animals from the present 300 kg milk/animal per lactation; (ii) to raise the present availability of milk. Kerala has 15 million head of cattle, 55 lakhs in the present, 55 lakhs to 250 lakhs by 1980; (iii) to encourage and help the farmers to produce milk economically by raising their own fodder crops and adopting scientific cattle husbandry practices; (iv) to develop methods for the farmers to keep milk-cows healthy regarding all aspects of dairy farming like breeding, feeding, milk production, cost of production etc., and (v) to actively involve the Panchayats in the programme to ensure adequate public participation response necessary for the success of the scheme.

To keep the canal navigable so as to take patients without less of time to the Hospital from the neighbouring water logged areas.

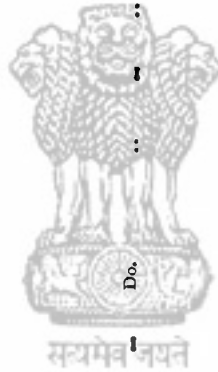
	Rs 43 lakhs (First Year) and Rs 11 lakhs (second year)	Do.	Dairy Development Department, Tiruvandrum	..	..	1,000 Dairy persons	Dairy General
5. A scheme for improving the milk production potential of cows and augmenting milk production in Kerala State.	Rs 2,65,475	91,100 man-days	91,100 man-days
6. Scheme for improving Kattaram Canal in Alleppey							

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Kerala (Contd.)	7. A scheme for providing employment and training to unemployed M.Sc. degree and Ph.D. Degree holders in the Industrial Testing and Research Laboratory, Trivandrum.	Rs 4,50,000	..	Do.	Industrial Testing and Research Laboratory	19 persons per year	Vocational guidance and Training	To admit two Research Scholars into each of the five research sections and two Engineers for training in the Pilot plant section. During the period of training (5 years maximum) he is expected to get sufficient training to enable him to seek and find a job in an industry related to his field. If he desired, he can also register for the Doctor's Degree of the University in Kerala and get his research completed during the three years period.	
Madhya Pradesh	1. Ancillary Industrial Estate for M.P. State Road-ways Transport Corporation.	Rs 45 lakhs during 1972-73	..	1972-73	..	..	..	1,100 persons	Industrial	To set up new ancillary industries for the M.P.S.R.T. Corporation. An Industrial estate for 17 units can be constructed. It is further proposed to provide Tool Rooms and Testing Facilities in the estate.
	2. Construction of 60 commercial-cum-residential sheds.	Rs 30 lakhs during 1972-73	..	1971-72 (Supplement to existing scheme)	..	..	..	590 persons	Do.	To construct 60 shed-cum-residential for educated unemployed persons in the State (except Bhopal).
	3. Construction of sheds at Indore by Laghu Udyog Nigam.	Rs 8 lakhs during 1972-73	..	1972-73	Laghu Udyog Nigam	..	..	300 persons	Do.	To construct 16 sheds for educated unemployed persons in Indore.
	4. Scheme for Dairy Estate near Bhopal	Rs 30.50 lakhs during 1972-73	..	1972-73	..	..	..	4.52 lakh man-days or 3,000 persons	Dairy	Objective : (i) To create employment for educated and uneducated unemployed persons (ii) to provide pure cow's milk for supply for residents of Bhopal, (iii) to create conditions for production of cross-breed high yielding cows.

5. Establishment of Rs 25 lakhs during poultry Estate near Bhopal.	..	Do.	..	..	919 persons	Poultry	To establish four Poultry Estates in the vicinity of big town viz. Bhopal, Indore, Jabalpur and Raipur.
6. (a) Construction of cheap houses and development of plots for slum dwellers in big towns.	..	Do.	..	..	1,720 persons	Slum-clearance scheme	To undertake construction of cheap houses (1504) and development of plots (664) for the slum dwellers in important towns namely Bhopal, Indore, Raipur and Ratlam.
(b) Development of land near Bhopal for shifting cattle outside municipal limits.	..	Do.	..	..	1,400 persons	Do.	To develop suitable land in two blocks outside Bhopal by providing plots, roads, electricity and water so that the cattle owners may be rehabilitated there.
7. Establishment of Agro-communities of landless persons.	..	Do.	..	..	172 persons (45,300 man-days)	Agricultural (general)	To take up development of 100 Farming Societies and to develop irrigation on the basis of ground water availability.
8. Land Farming in Backward districts bench terracing and paddy bunding.	..	Do.	..	..	1,023 persons	Do.	To intensify the programme of terracing and paddy fields in the areas where the programme of Soil Conservation under normal schemes of Agriculture Department has been under implementation in many districts of the State.
9. Construction of Rural Godowns	..	Do.	..	..	379 persons (or 1.14 lakh man-days)	Do.	To construct 100 rural godowns in the Intensive Districts, to be used for storage of inputs and agricultural produce.
10. Development of lift irrigation co-operative societies.	..	1972-73	380 persons (or 99,000 man-days)	Minor Irrigation	It is proposed to give Rs. 60,000 each to the 50 Co-operative lift irrigation societies which will be formed during 1972-73.

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<p>Mdhy Pradesh (Contd.)</p>											
11. Construction of Agricultural information and administrative centres in tribal and dacoity areas.	Rs 16 lakhs during 1972-73	..	Do.	405 persons (or 1,216 lakh man-days)	General	Construction of 80 information-cum-administrative buildings for village level workers of the State in difficult areas. These quarters would contain facilities of information centre-cum-office along with a store.	
12. Development of Mandi Centres with shops, godowns etc.	Rs 16 lakhs during 1972-73	..	Do.	..	..	..	..	206 persons (or 61,750 man days)	Do.	To develop 4 existing mandi centres as composite Mandi units, with shops, godowns, auction halls, roads, lighting, banking and postal facilities.	
13. Survey of Command Areas of important irrigation work for drawing up land shaping and drainage plans.	Rs 18 lakhs during 1972-73	..	Do.	..	..	..	..	1,056 persons	Minor Irrigation	For advance survey of command areas so as to take up land levelling work, construction of water courses, distributary system field channels, guide bunds and drainage in each field.	
14. Survey of severely eroded areas along major rivers and their tributaries.	Rs 18 lakhs during 1972-73	..	Do.	..	..	..	..	1,390 persons	Agricultural (General)	To cover 36,000 hectares, to carry out both reconnaissance and detail survey in advance for assessing the extent of severe damage caused by erosion.	
15. Survey of Rural Roads by 100 survey parties.	Rs 50 lakhs during 1972-73	..	Do.	..	..	..	..	1,200 persons	General	Each survey party consists of 12 persons will carry out detailed survey, levelling, plotting, soil survey and testing for a length of 20 kms.	
16. Survey of water supply schemes in urban and semi-urban areas and drainage scheme in major towns.	Rs 71.37 lakhs during 1972-73	..	Do.	..	..	..	..	1,564 persons	Do.	To undertake surveys and investigations and prepare water supply schemes for the 89 towns which are not having organised water supply system at present, during the next 3 years.	

17. Survey of important rivers for lift irrigation.	Rs. 24 lakhs during 1972-73	..	Do.	..	..	..	660 persons	Do.	To undertake survey along four important rivers. For this purpose it is proposed to constitute an Executive Engineer's Survey Division for each of the river, which would undertake survey and prepare schemes of stop dams on the afore said rivers.
18. Preparation of record of rights in districts having intensive agriculture programme.	Rs. 80 lakhs during 1972-73	..	Do.	..	..	..	5,622 persons	Do.	To undertake amendment survey and updating of record of rights in districts in which intensive agricultural development programmes are being undertaken like SFDA/MFAI districts, IADP districts, AYA, CWT Development districts, ravin reclamation Districts etc.
19. Survey of employment problem in selected areas and evaluation of employment oriented programmes.	Rs. 0.59 lakh during 1972-73	..	Do.	..	..	..	13 persons	Do.	To establish a Survey-cum-Evaluation team in the Employment Cell. The team will undertake employment survey in selected areas like SFDA districts, SAMP districts etc., and will evaluate the achievements under the various employment oriented programmes.
GRAND TOTAL	Rs. 594.87 lakhs during 1972-73						23,157 persons		
Myor	1. Soil-conservation Programmes	..	1972-73	2.5 lakhs man-day + 94 persons	Soil conservation (Agricultural)	To cover 12,000 acres under soil conservation measures. It includes opening of two soil conservation Training Centres, Central Bellary and Chitradurga, for training 120 boys per year in each centre in batches of 60 each for six months.



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Mysore (Contd.)											
2. Establishment of Agro-Service Centres	Rs 130.01 lakhs during 1972-73 i.e. Rs 117.16 lakhs for 9 months	..	Do.	300 persons	Agro-Industry	To establish 30 Agro-service Centres in different parts of the State during 1972-73. These centres will be located at taluk headquarters.	
3. Roadside and catchment area afforestation station	Rs 20.00 for 12 months (during 1972-73 i.e. Rs 19.12 lakhs for 9 months).	..	Do.	..	..	..	..	300 persons + 3 lakhs man-days	Afforestation (Agri-cultural)	It is proposed to cover 240 miles under roadside afforestation and to cover 3200 acres under catchment and foresture areas of irrigation tanks.	
4. Raising of Eucalyptus Plantation, 1972-73.	Rs 12.65 lakhs during 1972-73 i.e. Rs 41.63 lakhs for 9 months.	..	Do.	..	..	..	..	90 persons + 3.65 lakhs man-days	Do.	To raise Eucalyptus Plantation in a total area of 6,000 acres. The scheme envisages raising of seedlings in 15,000 nursery beds required for planting in the 1974 rainy season.	
5. Creation of green belt around Bangalore and in Dharwar District.	Rs 42.30 lakhs during 1972-73 i.e. Rs 12.41 lakhs for 9 months	..	Do.	..	..	..	..	155 persons + 11.39 lakhs man-days	Do.	To afforest in Bangalore District, an area of 200,000 hectares, over a period of 5 years and afforestation of 10,000 hectares in Dharwar District during the same period i.e. 4,000 hectares in Bangalore District and 2,000 hectares in Dharwar District during 1972-73.	
6. Appointment of technical staff at State Land Development Bank.	Rs 5.81 lakhs per annum i.e. Rs 4.36 lakhs for 5 months.	..	Do.	..	..	..	..	100 persons	Co-operation and Housing (General)	To assist in the schemes of land reclamation, minor irrigation, horticultural development etc. which have been taken up with the assistance of the International Development Agency.	

7. Appointment of Supervisors at District Central Co-operative Banks.	Rs 4.8 lakhs per annum i.e. Rs 37,500 for 9 months i.e. Rs 3,50 lakhs for 9 months of 1972-73	..	Do.	District Central Co-operative Banks	..	..	100 persons	Do.	To appoint 100 B.Com Graduate as Supervisors at the rate of five for each District Central Co-operative Bank, except that of Tumkur for which the member proposed is ten. These persons will be trained for a period of 10 weeks before they are put on their assignments.
8. Appointment of special staff for marketing and processing Societies.	Rs 7.15 lakhs for 9 months 1972-73	..	Do.	Marketing and Processing Societies.	..	..	175 persons	Do.	To promote effective linking of credit with marketing.
9. Appointment of special staff for consumer cooperative.	Rs 4.52 lakhs for 9 months 1972-73	..	Do.	Consumer Cooperatives	..	..	100 persons	Do.	To strengthen the existing cooperative wholesale stores and Janata Bazaars in the State.
10. Appointment of Technical Staff for Farming Societies.	Rs 3.90 lakhs per annum i.e. Rs 2.94 lakhs for 9 months of 1972-73	..	1972-73	Farming Societies	..	..	60 persons	Co-operation and Housing (General)	To strengthen 20 Cooperative Farming Societies, with rich potential, for developing them and diversifying their activities.
11. Appointment of full-time Secretaries in Agricultural Credit Cooperative Societies.	Rs 32.00 lakhs per annum i.e. Rs 24.50 lakhs for 9 months of 1972-73	..	Do.	Agricultural Credit Cooperative Societies	..	..	1,000 persons	Do.	To strengthen primary Agricultural Credit Cooperative Societies in the State by appointment of full-time paid Secretaries to some of these societies and to fully subsidise their salary.
12. Appointment of Engineer in Mysore Housing Board.	Rs 4.92 lakhs per annum i.e. Rs 3.69 lakhs for 9 months.	..	Do.	Mysore Housing Board	..	..	100 persons	Do.	To strengthen the sub-divisional, divisional offices etc. of the Mysore Housing Board by appointing Civil Engineering Graduates and Diploma Holders.
13. Intensive short-term training programme.	Rs 6.12 lakhs per annum i.e. Rs 5.38 lakhs for 9 months.	..	Do.	1,020 persons + 75 persons regular	Employment and Training	To start a number of short term training courses, e.g. Power cable jointing, Auto Electricians etc. etc. These courses will be of varying duration of 3 to 12 months.

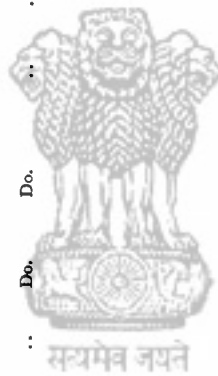
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Mysore (Contd.)											
14. Training in Heavy Vehicle driving and maintenance.		Rs 8.57 lakhs for 9 months of 1972-73	..	1972-73	204 persons per year i.e. 154 persons for 9 months	Employment and Training	To train 200 drivers per year. For their purchase two units one each at Bangalore and Bellary will be started. The duration of the training is 3 months.
15. Training in Driving and maintenance of tractors and farm machinery.		Rs 3.91 lakhs for 9 months of 1972-73	..	Do.	..	..	..	Do.	Do.	Do.	To train 200 drivers per year. It is proposed to establish two units one each at Raichur and Bellary. The duration of the course is three months.
16. Establishment of custom service units.		Rs 80,000 during 1972-73 (for 6 months only)	..	Do.	..	..	..	..	120 persons	Do.	To establish 24 units in major cities of the State. Each unit will consist of an engineer and four diploma or certificate holders.
17. Establishment of Rural work-shops.		Rs 8.78 lakhs during 1972-73 (for 6 months)	..	Do.	..	..	..	..	100 persons	Do.	To establish twenty rural workshops during 1972-73 to later facilities in rural areas for the manufacture and proper upkeep of various types of agricultural implements and machinery.
18. Stipendiary training programme for Engineers.		Rs 12 lakhs per annum i.e. Rs 10.57 lakhs for 9 months	..	Do.	..	..	..	..	500 persons	Do.	To increase the number of training places from 350 to 500 to be shared equally between graduates and diploma holders.
19. Employment Assistance and relief to educated unemployed.		Rs 30 lakhs per annum i.e. Rs 22.50 lakhs for 9 months	..	Do.	..	..	..	..	1,500 persons	Do.	To appoint graduates (including post-graduates) and Diploma holders on temporary basis in Government Departments.

20. Strengthening of Directorate of Employment and Training for implementation of special employment programme.	Rs 2.41 lakhs per annum i.e. Rs 1.91 lakhs for 9 months of 1972-73	Do.	Directorate of Employment and Training	..	..	37 persons	Do.	To ensure effective implementation and supervision of the several special employment assistance and training programme, both in existence and proposed, a nucleus of technical supervisory and supporting ministerial staff is projected.
21. Employment of Engineers in Small and Medium Industries.	Rs 3 lakhs per annum i.e. Rs 2.25 lakhs for 9 months of 1972-73	Do.	..	..	..	100 persons	Do.	To induce certain industries to employ qualified engineers (engineering graduates and diploma holders) in their works by subsidising in full the salary of engineers so appointed.
22. Training of Kannada Typists and Stenographers.	Rs 4.57 lakhs per annum and Rs 4.04 lakhs for 9 months	Do.	..	..	..	130 persons	Do.	To train 100 persons in Senior Typewriting and Senior Shorthand in Kannada at the five polytechnics where diploma courses in Shorthand Practices are being conducted at present.
23. Employment Assistance to Medical graduates (M.B.B.S.)	Rs 10.08 lakhs per annum i.e. Rs 7.56 lakhs for 9 months	Do.	..	..	..	280 persons	Do.	To provide employment assistance to 280 medical graduates of whom 16 will be lady doctors on a monthly stipend of Rs 300 p.m. each.
24. Employment Assistance to Dental graduates (B.D.S.)	Rs 1.08 lakhs per annum i.e. Rs 0.81 lakhs for 9 months	Do.	..	..	..	30 persons	Do.	Appointment of 30 B.D.S. graduates as Dental Assistants at Taluka level Institutions where there are no Dental Clinics at present.
25. Employment Assistance to Ayurvedic (B.S.A.M.) Graduate	Rs 60,000 per annum i.e. Rs 45,000 for 9 months	Do.	20 persons	Do.	To appoint 20 B.S.A.M. graduates on a stipend of Rs 250 p.m. each, on the same basis as the male medical Assistants.

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Mysore (Contd.)											
26. Employment Assistance to Pharmacists (B, Pharma Graduates)	Rs 55,200 per annum i.e. Rs 41,400 for 9 months	..	1972-73	23 persons	Employment and Training	23 graduates in Pharmacy will be employed on a stipend of Rs 200 p.m. each, in all the District Hospitals and four other major hospitals.	
27. Employment Assistance to Nurses	Rs 3.60 lakhs per annum i.e. Rs 2.70 lakhs for 9 months	..	Do.	..	..	..	..	200 persons	Do.	To appoint 200 nurses on monthly stipend in important teaching and general hospitals.	
28. Construction of 'B' and 'C' type sheds in Industrial Estates.	Rs 58.90 lakhs for 1972-73	..	Do.	..	..	..	..	2,600 persons	Industrial	To construct 100 sheds (B & C Type) at six different cities/towns of the State where industrial estates already exist. On starting of industries about 1,200 to 1,600 persons will be employed on regular basis.	
29. Improvements to existing rural communication roads.	Rs 150 lakhs for three years i.e. Rs 50 lakhs during 1972-73	..	Do.	..	..	..	..	10 lakh man-days during 1972-73 i.e. 30 lakhs man-days for 3 years	Rural Roads	To improve 950 kilometers of rural roads over a period of three years.	

TOTAL	Rs 494.16 lakhs per annum i.e. Rs 443.31 lakhs for 9 months of 1972-73	Regular Employment:- 3,087, trainees 2,020 and 1 casual labour 38,554 lakh mandays
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1. (i) Scheme for Industrial Estate	Rs 50 lakhs	..	1972-73 (Supplement to an existing scheme)	Industries Department	50 persons + 16,000 mandays or 66 men	Industrial	To take up B type and C type sheds at Ronkela, Talcher and Sunabedi, the Industrial townships.
(ii) Scheme for revitalisation of Takatpur Power Loom Weavers Co-op Society.	Rs 6.70 lakhs	..	Do.	Do.	..	..	120 persons	Do.	It envisages grant of loan to the Society, so that it can start production.
2. (i) Scheme for creation of Rural Road Development Service Cells.	Rs 26.16 lakhs	..	1972-73	Irrigation and Power Deptt. (Electricity)	..	..	459 persons	Rural Electrification	To make the people in the rural areas aware of the use of electricity and create direct and indirect employment potential.
(ii) Scheme for assessment of ground water potential.	Rs 7.45 lakhs	..	Do.	Do.	..	..	180 persons	General	To make necessary trial bores in the aquifer area so that the actual thickness, number and depth at which the aquifers occur can be determined to decide the type of irrigation wells suited to the area. The information is also required for guiding the farmers in the SFDA and MFAL areas to sink their own wells or tubewells more confidently.
(i) Scheme for opening of Agro-Service Centres.	Rs 5.07 lakhs	..	Do. (Supplement to an existing scheme)	Agriculture Department	..	..	90 persons	Agro-Industry (Agricultural)	With the gradual mechanisation of cultivation in the State, there is need for opening of Service Centres where from the advanced cultivators can avail service facilities.
(ii) Establishment of cattle feed plant at Berhampur.	Rs 12.77 lakhs	..	Do.	Do.	18 persons	Agricultural	Under the SFDA in Ganjam District Milk Producers Cooperative is to be set up for the supply of cattle feed. It is proposed to establish a cattle feed plant at Berhampur.



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Orissa (Contd.)											
4 (i) Scheme for Development of inland fisheries.	Rs 3 lakhs	..	1972-73 (Supplement to existing Scheme)	Animal Husbandry and Forest Deptt.	130 per sons and 24,000 mandays or 100 man-years	Pisciculture	To benefit the educated unemployed and the unskilled unemployed of rural and urban areas after imparting them a short course of training in inland pisciculture.
(ii) Scheme for self-employment of veterinary graduates.	Rs 6.675 lakhs	..	1972-73	Do.	..	..	60 per sons + Indirect employment	Self-Employment	Provision of incentives to the Veterinary Graduates to set up poultry, dairy units and mixed farms.	..	..
5. Development of communications by providing missing links.											
(i) Suruda-Gazalbari-Daringabari Road.	Rs 10 lakhs	..	1972-73	Works and Transport Department	..	..	9,33,333 mandays or 3,889 persons (Total)	Roads	To provide infrastructure for the missing links in the schemes.	..	..
(ii) 132 KV line Road.	Rs 5 lakhs	..	..	..	..	..	4 lakh man-days	..	..	..	..
(iii) Chikiri Mahendragiri Road.	Rs 10 lakhs	..	..	..	..	..	1,33,333 man-days	..	..	..	..
6. (i) Scheme for linking channels or renovation of tanks (M.I.P.)											
(ii) Scheme for communications	Rs 20 lakhs	..	1972-73	Rural Development Department	..	..	4,74,700 man-days of 1977 man-years	Minor Irrigation	(i) To provide employment to people in the districts of drought areas: (ii) the schemes have a large employment potential and would result in lasting assets.	..	..
	Rs 10 lakhs	..	Do.	..	..	..	4,24,136 man-days or 1767 man-years	Roads			

1(i) Construction of Roads in Rural areas.		Rs 10 lakhs	..	1972-73 (Supplement in the existing scheme)	Community Development Panchayat Raj (C.D. and P.R. Department)	..	..	2,67,000 man-days	Rural Roads	To construct roads, adopting such specifications as would bring standard of the roads to a reasonable level so that ultimately they can be transferred to the Rural Engineering Organisation.
(ii) Construction of Panchayat Ghars		Rs 4 lakhs	..	Do.	G.P. Department	..	..	53,000 man-days	General	To construct 80 Panchayat Ghars.
(iii) Scheme for excavation of wells		Rs 20 lakhs	..	Do.	C.D. and P.R. Department	..	..	3,33 lakh man-days	Rural Water Supply	To augment the provision of 15,000 wells in the fourth Plan period and intensifying the work of excavation of wells particularly in the drought prone areas.
(iv) Scheme for Minor Irrigation Project		Rs 10 lakhs	..	Do.	Do.	..	..	2,50 lakh man-days	Minor Irrigation	
TOTAL		Rs 44 lakhs						9,03 lakhs man-days or 3,757 man-years		
GRAND TOTAL		Rs 216.22 lakhs						12,109 man-years		
Punjab	Construction of Village Roads	Rs 132 lakhs	..	1972-73	..	..	..	2,043 man-years	Rural Roads	Construction of 220 miles of roads in the Rural Areas.
Rajasthan	1. Establishment of Agro-Service Centres	Rs 11 lakhs	..	1972-73	..	..	..	720 man-years	Agro-Industry	To establish Agro-Service Centres to provide 'after sale' service facilities in respect of tractors and other mechanical equipment, spare parts and agricultural machinery.

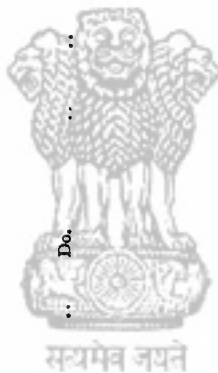
1	2	3	4	5	6	7	8	9	10	11	12
Rajasthan (Contd.)	2. Programme of Construction of roads and improvement of slums.	Rs 175 lakhs		1972-73		..	..	7,788 man-years	Roads and slums clearance	(i) To provide approach roads in order to enable rural electrification works to be extended by connecting the villages to places where main transmission lines are available (ii) Construction of causeways, culverts and drains to improve the communication network in the rural areas.	
	3. Scheme for providing staff for conducting evaluation of Special Employment Projects.	Rs 4.30 lakhs	..	Do.	..	..	..	68 man-years	General	(i) To assess unemployment and under-employment, in order to appraise schemes judiciously and (ii) To evaluate these schemes.	
	4. Survey and investigation for Rural Water Supply.	Rs 13 lakhs	..	Do.	..	..	..	395 man-years	Do.	To strengthen the existing machinery for survey and investigation of water supply sources to form a basis for the preparation of rural water supply projects.	
	5. Survey and Investigation of Ground Water Resources.	Rs 4.50 lakhs	..	Do.	..	..	..	45 man-years	Do.	The preparation of survey report will form the basis for formulating minor irrigation schemes, ARC schemes and Intensive Agricultural Production Schemes as well as Rural Water Supply Schemes for providing drinking water to the rural population.	
	6. Construction of houses for members of Scheduled Castes/Tribes.	Rs 21 lakhs		Do.	..	..	..	6,275 man-years + 3,000 persons (Part-time)	Housing	To provide suitable housing to members of the Scheduled castes and scheduled tribes.	

7. Survey and preparation of plans for Growth Centres in developing areas and Projects.	Rs 4 lakhs	..	Do.	..	..	106 man-years	General	Development plans for growth centres in Rajasthan canal area would be available at the appropriate time for fuller utilization of the investment potential in the region.
8. Khadi and Village Industries.	Rs 52.39 lakhs	..	Do.	..	..	984 man-years A-22260 persons (Part-time)	Industrial	The 10 two spindle units would have an annual production capacity of cloth valued at Rs 5 lakhs and engaged 852 persons part-time/full-time. As for Woollen Khadi 10 units each consisting of 100 charhis and 10 looms would generate production worth Rs 20 lakhs and provide employment to 1,382 persons part-time/full-time. Construction of Ghumans would ensure higher financial returns to the Tels. This would also curb the decrease of working ghans in the State. The shoe makers who do not have benefits of co-operatives would be provided financial and technical assistance benefiting nearly 500 artisans part-time/full-time.
9. Slum Clearance	Rs 35 lakhs	..	Do.	..	..	1,535 man-years	Slum Clearance	To construct 750 single-roomed tenements with cooking space and lavatories each costing about Rs 6,000 in 8 selected towns of the State. Thus 750 families of slum dwellers occupying Kutcha construction will be provided with the planned and pucca houses.



1	2	3	4	5	6	7	8	9	10	11	12
Rajasthan (Contd.)											
	10. Construction of School rooms in the rural areas	Rs 81.65 lakhs	..	1972-73	..	..	..	6,300 man-years	Building Construction (Education)	Apart from augmenting the physical requirements for expanding elementary education in the rural areas by improving the existing primary and higher primary schools, the scheme will provide employment to the rural population and raise their economic standard.	
	11. Milk-collection-cum-chilling centres	Rs 14 lakhs	..	Do.	..	..	..	84 man-years + 240 persons (Part-time)	Dairy	To set up two Milk Collection-cum-Chilling Centres on pilot basis at Dausa and Shahpura in Jaipur District, each with a capacity of 10,000 litres of milk per day. The scheme will have the advantage of providing direct employment to 84 persons and augmenting the income of 240 village level functionaries.	
TOTAL		415.84 lakhs during 1972-73									
Tamil Nadu											
	1. Rural Roads Programme.	Rs 300 lakhs	..	1972-73	..	..	..	15,000 persons	Rural Roads	To provide all weather communication facilities (in the form of black-topped roads to all habitations of population 1,500 and above	

Uttar Pradesh	2. Youth Service Corps Volunteer Scheme.	Rs 61.77 lakhs	..	Do.	..	..	2,800 Persons (General)	(i) Provision of employment for educated unemployed; (ii) adult education with special reference to functional literacy of adults; (iii) the youth service corps volunteers will also be engaged in disseminating information on improved agricultural practices, rural industries, family planning etc.
	3. Special Apprenticeship Training Programme.	Rs. 47 lakhs	..	Do.	..	..	2,600 Persons and Training	600 Degree holders, 1,000 Diploma holders and 1,000 craftsmen will be trained.
	4. Loan Assistance Scheme for Craftsmen.	Rs 30 lakhs	..	Do.	..	..	3,000 Self-Employment	To give loans in the form of hand tools to 3,000 craftsmen who had passed out of the Industrial Training Institutes.
	TOTAL	Rs 438.77 lakhs					23,400 Persons	
Uttar Pradesh	1. Survey and Investigation of Thermal Generation Projects.	Rs 18.72 lakhs in 1972-73 and Rs 18.66 lakhs in 1973-74	..	1972-73	..	..	403 Persons (Regular + 50 casual labour).	(i) To prepare in advance project reports for thermal generation, which may be taken up in accordance with the growing power demand; Job opportunities for technical and non-technical personnel.
	2. Survey and Profiling of Transmission and Distribution Lines.	Rs 37.35 lakhs in 1972-73 and Rs 37.43 lakhs in 1973-74	..	Do.	..	..	906 persons	(i) To carry out advance survey, profiling and design of the future transmission system; (ii) to provide employment to technical personnel.



1	2	3	4	5	6	7	8	9	10	11	12
Uttar Pradesh (Contd.)	3. Water Supply Schemes.	Rs 34.65 lakhs—in 1972-73 and Rs 36 lakhs in 1973-74	..	1972-73	..	..	..	986 persons	Water Supply Scheme	Besides providing employ- ment to the unemployed to degree and diploma holder engineers, the other objectives of the scheme are:— (i) to prepare suitable water supply and sewer- age schemes; (ii) to prepare technical reports of the works completed so far; and (iii) to eval- uate the working of rural water supply schemes run by other depart- ments.	
	4. Construction of Rural Development Projects.	Rs 72 lakhs in 1972-73 and Rs 80 lakhs in 1973-74	Do ..					76,938 persons	Rural Development	(i) To construct durable assets in shape of metal- led roads, school build- ing and drinking water wells in villages; (ii) to carry out detailed survey for development of house sites for scheduled castes and landless labourers and to finalize their lay- outs in respect of roads, drainage, drinking water and educational facilities etc.; (iii) to provide emp- loyment to unemployed engineering graduates and Diploma holders in Civil Engineering.	
	5. Mass Literacy Work.	Rs 60 lakhs in 1972-73 (for 9 months) and Rs 80 lakhs in 1973-74	Do					8,792 persons	Education	To make illiterate rural people literate by employ- ing the rural unemploy- ed/partially employed matriculates to run Afternoon Evening Classes.	
	6. Technical guid- ance to small farm- ers.	Rs 11.934 lakhs in 1972-73 and Rs 18.816 lakhs in 1973-74	Do.					440 persons	Agricultural	To promote multiple crop- ping and provide employ- ment to agricultural graduates.	

7. Agriculture extension scheme.	Rs 12.90 lakhs in 1972-73 and Rs 33.32 lakhs in 1973-74	Do.	..	..	..	1,067 persons	Minor Irrigation	(i) Besides promoting fuller utilization of the irrigation potential of the State tubewells, the cultivators will be educated in respect of suitable crop rotation and water management problems; (ii) to provide employment to unemployed Agricultural Graduates.
8. Pilot project on an integrated programme of consolidation and soil conservation.	Rs 9.498 lakhs in 1972-73 and Rs 13.508 lakhs in 1973-74	Do.	..	..	..	1,604 persons	Agricultural	To combine consolidation operations with levelling of land and construction of Bandhis so as to generate fresh avenues of employment and ensure an integrated development of the area.
9. An Additional functionary at Selected Veterinary Hospital, Key Village Block and semen collection Stations in the State.	Rs 3.480 lakhs in 1972-73 and Rs 17.064 lakhs in 1973-74	Do.	..	..	..	418 persons	Animal Husbandry	(i) To cater the increasing work load in the selected Veterinary Hospital, Key Village Block and Semen Collection Stations in the State, (ii) to provide employment to unemployed Veterinary Graduates.
10. Construction of small bridges, siphons, causeways and culverts on approach roads constructed through people's voluntary contribution and soil-ling of such roads.	Rs 54 lakhs each in 1972-73 and 1973-74	Do.	..	..	..	4 lakh man-days annually	Rural Development Programmes (Roads)	To provide employment to rural masons and unskilled labour, and as such also to connect nearby villages to highways through durable link roads.
11. Detailed Geological and other connected investigations.	Rs 0.517 lakh in 1972-73 and Rs 0.633 lakh in 1973-74	Do.	..	..	..	10 persons	General	It would help in finding the hidden treasures of the earth besides providing in the process new openings of employment to the unemployed technical manpower (Post graduates in Geology).

1	2	3	4	5	6	7	8	9	10	11	12
Uttar Pradesh— (Contd.)	12. Survey and soil investigations for roads and bridges.	Rs 142 lakhs in 1972-73 for 9 months and Rs 132 lakhs in 1973-74	..	1972-73	U.P. P.W.D.	..	..	3,432 persons	General	..	(i) To provide fully investigated schemes for the construction of roads and bridges and reconstruction of roads; (ii) to provide employment to technical personnel, skilled and unskilled labour.
	13. Construction of rural roads.	Rs 297 lakhs in 1972-73 (9 months) and Rs 320 lakhs in 1973-74.	..	Do.	..	..	..	234 persons and 57.25 lakhs man-days.	Roads	..	(i) It will open up some more of the undeveloped areas in various districts which are at present languishing under subsistence farming; (ii) to provide employment to unemployed engineers, skilled, unskilled and other persons.
	14. Investigation of Irrigation and multipurpose river valley schemes.	Rs 60 lakhs in 1972-73 and Rs 126 lakhs in 1973-74.	..	Do.	Irrigation Deptt.	..	..	1,919 persons	Minor Irrigation	..	(i) To complete surveys and investigations and preparing project reports for a number of irrigation and multipurpose projects so that the same are available for consideration and selection at the time of formulation of yearly and five yearly plans.
	15. Investigation of Flood control and Drainage Schemes.	Rs 50 lakhs each in 1972-73 and 1973-74.	..	Do.	Do.	..	..	663 persons	Flood control & Drainage	..	To complete surveys and investigation and prepare project report for a number of flood control and drainage schemes so that the same are available for consideration and selection at the time of formulation of yearly and five year plans.

TOTAL

Rs 864 lakhs during 1972-73 & Rs 1019.43 lakhs during 1973-74

Rs 432 lakhs each by Centre and State (50:50) during 1972-73

Chandigarh	1. Education—starting of three nursery schools in rural areas.	Rs 47,000 during 1972-73	100% by centre	1972-73	..	..	..	9 full time and 3 part-time	Education	To spread education in the villages and also for creating.
	2. Rural Housing Construction of houses for the persons in low income group and slum dwellers.	Rs 1.00 lakh during 1972-73	Do.	Do.	..	..	..	15 persons	Rural Housing	To stimulate interest for housing and also to demonstrate the art of planning and constructing good and economical houses.
	3. Industry—Self-employment to Graduate Engineer.	Rs 50,000 during 1972-73	Do.	Do.	..	..	..	3 or 4 persons	Industrial	Apart from self-employment needs, the various small scale industries would also generate employment opportunities for the I.T.I. trainees and other skilled and unskilled workers.
Total.		1.97 lakhs.								
Dadra and Nagar Haveli.	Scheme for Forest Protection, Plantations and logging:	Total Rs 53,000	Do.	Do.	..	..	..	16,800 man-days	Agricultural	To provide employment to the uneducated adult labourers and at the same time to increase the forest wealth and revenue.
	(i) Project for raising plantations Fastgrowing species and providing protection.	Rs 6,800		for one month in 1972-73	..	..	..	2,100 man-days		
	(ii) Project for road side Plantation	Rs 12,200		for 8 months in 1972-73	..	..	..	3,700 man-days		
	(iii) Project for logging	Rs 20,000		for 5 months 1972-73	..	..	..	6,000 man-days		
	(iv) Removal of climbers	Rs 14,000		1972-73	..	..	..	5,000 man-days		
Laccadive, Amindive, and Minicoy Islands.	Scheme for starting one coir production centre at Kadmat Island for the production of export variety of coir yarn.	Rs 23,000	Do.	1972-73 (for 6 months)	..	..	..	30 persons	Industrial	

Schemes of the Central Ministries Part I

State and District	Name of the Scheme	Outlay and break-up in broad outline	Funds given by Centre or State Government and percentage of share by them	Year for taking up the scheme for implementation	Agency for implementation in the field	Number of employed			Nature of the schemes	Target of the scheme in time, scope and objective	Remarks
1	2	3	4	5	6	7	8	9	10	11	12
Govt. of India— Central Sector Schemes.	@10. Schemes for the educated unemployed—										
	(i) Expansion and improvement of the quality of primary education	Outlay for 1971-72: Rs 440 lakhs; 1972-73: Rs 3,000 lakhs.	100 per cent by Centre	1972-73	Ministry of Education and Social Welfare	..	..	30,240 each in 1971-72 and 1972-73	Education	(a) To appoint 30,000 elementary school teachers and 240 Inspectors of Schools, provision of mid-day meals to 8.6 lakh children, distribution of free text books to 9 lakh school children, and introduction of work experience in 1,000 middle schools—during 1971-72. (b) Rs 12 crores for maintenance expenditure and Rs 18 crores for appointment of 30,000 more teachers and 240 additional Inspectors, sanctioning of book grants, provision of mid-day meals and construction of class rooms for primary schools.	
	(ii) Assistance to Small Entrepreneurs.	Amount released in 1971-72: Rs 639 lakhs; Outlay for 1972-73: Rs 650 lakhs	Do.	Do.	Ministry of Industrial Development	..	..	15,000 in 1971-72	Industrial	(a) Provision of funds for margin on capital loans to be advanced by approved financial institutions, establishment of industrial and commercial estates, supply of indigenous machines on hire purchase terms, provision of equity capital to private and public limited companies of technicians and provision of financial and other assistance to co-operatives of technicians;	



Govt. of India— Central Sector Schemes (Contd.)	(iii) Rural Engineer- ing Surveys.	Outlay during 1971-72 100 per cent Rs 12.89 lakhs; 1972-73 by Centre Rs 285 lakhs	1971-72 Ministry of Irrigation and Power	.. ..	.. ..	General	(b) To undertake surveys in the rural areas in chronically drought affected districts for for- mulation of schemes covering provision of irri- gation, electricity, drink- ing water and road faci- lities and also for impro- vement of land and imp- roved water manage- ment practices. The Survey parties will be put in position in a phas- ed manner, and by 1973-74 there will be 350 parties.
(iv) Expansion of Consumer Co- operatives.	Do.	Do. Outlay for 1971-72: Rs 15 lakhs; 1972-73: Rs 50 lakhs; Amount released in 1971-72: Rs 16 lakhs	Do. Department of Co- operation	.. ..	276 in 1971-72	Co-operat- ion	To provide increasing employment opportuni- ties for the educated unemployed through ex- pansion and develop- ment of selected con- sumer co-operatives which have growth po- tential.
(v) Investigation of road projects	Do.	Do. Amount released in 1971-72: Rs 19 lakhs outlay for 1972-73: Rs 90 lakhs.	Do. Ministry of Shipping and Trans- port	.. ..	814	Roads (General)	(a) To undertake investi- gation and preparation of project reports in respect of central sector road projects to be con- sidered for inclusion in the Fifth Five Year Plan. (b) Apart from creating additional emp- loyment opportunities for technically quali- fied persons, the scheme will result in the availa- bility of a large number of fully investigated pro- jects ready for sanction and implementation in the Fifth Plan period.
(vi) Creation of Planning and Design units for the preparation of rural water supply schemes in the States	Do.	Do. Expenditure in 1971-72 Nil; Outlay for 1972-73: Rs 44 lakhs	Do. Department of Health	.. ..	827	Rural Water Supply	To set up planning and design cells in the differ- ent States for the pre- paration of detailed plans and estimates for rural water supply sche- mes in areas considered as "permanently dis- advantaged".

1	2	3	4	5	6	7	8	9	10	11	12
	(vii) Indian Oil Corporation Dealership	Outlay for 1971-72: Rs 20 lakhs; 1972-73 and 1973-74 Rs 40 lakhs each	100 percent by centre	1971-72	Ministry of Petroleum and Chemicals	..	..	..	Self-Employment	(a) To offer self-employment opportunities to young engineering graduates by way of granting dealership; (b) To provide interest-free loans to deserving war victims for setting up petrol dealerships.	
	TOTAL										② Incomplete Outlay for IV Plan
	GRAND TOTAL for Schemes 1 to 10										

Rs 5,304.89@

Rs 39,262.76@



सत्यमेव जयते

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Government of India

EXPERT COMMITTEE ON UNEMPLOYMENT

VIGYAN BHAVAN ANNEXE,

New Delhi, dated 30th Sept., 1972.

Working Group on the Plan Office Memorandum

In compliance with the orders of Shri B. Bhagavati, M.P., Chairman of the Committee dated 17-8-1972, a copy each of the following is sent herewith for information, perusal and comments, if any, at a very early date.

1. Statements I to V with explanatory notes on employment generation on the basis of plan outlays and expenditure during the Five Year Plans on large and medium industries, Agriculture, animal husbandry, dairying and milk supply. This will assist intra-sectoral comparison;
2. Statements VI to X with explanatory notes on plan outlays and expenditure on health and Power (electricity), education, industries (large, medium, village and small industries), agriculture (major irrigation, minor irrigation, agricultural productions and community development). The following are the annexures to these statements:
 - (a) List of States and Union Territories as they have varied from one Plan to another due to reorganisation etc. (Annexure I);
 - (b) A note on employment norms etc., with appendices (i) and (ii) Annexure II).
3. The data have been collected by the respective Working Groups from the plan documents and have not been revised according to the mid-term appraisals. A simple statistical exercise on employment generation covering the particular heads of outlays and expenditure given in the plan documents, has been attempted, subject to the limitations of the data furnished to the plan group. Views and comments based on departmental examination carried out by Members/Officers in charge of plan co-ordination etc. may be forwarded to the undersigned before the 10th October, 1972, as far as possible.
4. It is proposed to recast the statements after the receipt of comments from various authorities.

(Sd.) B. N. NAIR,
Director (plan)
30-9-1972

To

1. The Chairman and Members of the Committee (by name)
2. Chairman and members of Working Group on the Plan
3. Directors/Jt. Director/Dy. Director
4. US/SROs/RO
5. P.S. to Chairman/Sr. P.A. to M.S.

STATEMENT

Statement showing the total employment generation on the basis of allocation and expenditure under Large and Medium Industries on the basis of the norms of employment @1700 man-years per crore of total expenditure in the construction phase.

			(Rs. in crores)	(In '000 man years)	
Plan Period	Outlay	Expenditure	Employment generation on the basis of		Remarks
			Outlay	Expenditure	
1	2	3	4	5	6
First Plan (1951-56)	17.41	13.48	29.6 (36.3)	22.9* (28.1)	*lesser employment due to lesser expenditure
Second Plan (1956-61)	21.09	38.75	35.9 (46.4)	65.9@ (85.1)	@More employment due to higher expenditure
Third Plan (1961-66)	68.82	93.73	117.0 (117.0)	159.3@ (159.3)@	
Three Annual Plans (1966-69)	—	86.44	—	146.9 (109.7)	
Fourth Plan (1969-74)	156.70	—	266.4 (153.6)	—	

@Source : Employment Trends and Prospects—Labour and Employment Division, Planning Commission, November, 1960.

N. B.—1. Figures in brackets indicate the employment generation on the prices prevailing in the year (calendar) preceding the plan period.

2. Outlay and expenditure data relate to the total of States and Union Territories, wherever available.

STATEMENT

Statement showing the total employment generation on the basis of allocation of expenditure under Village Small Industries on the basis of the norms of employment-@1700 man years per crore of total expenditure in the construction phase.

(Rs. in crore)			(In '000 man-years)		
Plan period	Outlay	Expendi- ture	Employment generation on the basis of		Remarks
			Outlay	Expendi- ture	
1	2	3	4	5	6
First plan (1951-56)	12.03	10.07	20.5 (25.2)	17.1 (21.0)	In col. 5 Fall in em- ployment le- vels account- ed for by lower levels of expendi- ture.
Second Plan (1956-61)	119.68	809.8	203.5 (262.9)	137.7 (177.9)	
Third Plan (1961-66)	141.28	103.19	(240.2) (240.2)	175.4 (175.4)	
Three Annual Plans (1966-69)	—	47.53	—	80.8 (60.4)	
Fourth Plan (1969-74)	135.57	—	230.5 (132.9)	—	

@Source : Employment Trends and Prospects—Labour and Employment Division, Planning Commission, November, 1960.

N. B.—1 Outlay and expenditure data relate to the total of States and Union Territories data.

2. Figures in brackets indicate the employment generation on the prices prevailing in the year (calendar) preceding the plan period.

STATEMENT III

Statement showing the total employment generation on the basis of allocation and expenditure under Agricultural Productions on the basis of the norms of employment@5200 man years per crore of total expenditure in the Construction phase.

		(Rs. in crores)	(In '000 man-years)		
Plan period	Outlay	Expendi- ture	Employment generation on the basis		Remarks
			Outlay	Exendi- ture	
1	2	3	4	5	6
First Plan (1951-56)	117.25	113.99	609.7 (748.5 ÷)	592.7* (727.7)*	*Fall in em- ployment le- vels account- ed for by lower levels of expendi- ture.
Second plan (1956-61)	73.00	92.28	379.6 (490.3)	479.9£ (619.9)£	
Third Plan (1961-66)	189.49	179.91	985.3 (985.3)	935.5* (935.5)*	£ High le- vels of em- ployment due to higher expenditure.
Three Annual Plans (1966-69)	193.62	147.48	1006.8 (752.1)	766.9* (572.9)*	
Fourth Plan (1969-74)	329.22	—	1711.9 (987.3)	—	

@Source : Employment Trends and Prospects—Labour and Employment Division, Planning Commission, November, 1960.

N. B.—(1) Outlay and expenditure relate to the total of States and Union Territories data.

(2) Figures in brackets indicate the employment generation calculated on the prices prevailing in the year (calendar) preceding the plan period.

STATEMENT IV

Statement showing the total employment generation on the basis of allocation and expenditure under Animal Husbandry, Dairying and Milk Supply on the basis of the norms of employment-1750* man-years per crore of total expenditure in the construction phase.

(Rs. in crores)		(In '000 man-years)			
Plan Period	Outlay	Expendi- ture	Employment generation on the basis of		Remarks
			Outlay	Expendi- ture	
1	2	3	4	5	6
First Plan (1951-56)	18.77	14.93@	32.8 (40.3)	26.1@ (32.0)	@Lesser em- ployment due to lesser expenditure.
Second Plan (1956-61)	50.23	33.09	87.9 (113.5)	33.1@ (42.8)	
Third Plan (1961-66)	78.74 @	N.A.	137.8 (137.8)	—	
Three Annual Plans (1966-69)	62.92	51.41	110.1 (82.2)	90.0@ (67.2)	
Fourth Plan (1969-74)	118.04	—	206.6 (119.1)	—	

*Source Employment Trends and Prospects—Labour and Employment Division, Planning Commissions November, 1960.

N. B. —(1) Outlay and expenditure data relate to the total of States and Expenditure, wherever available.

(2) Figures in brackets indicate the employment generation on the prices prevailing in the year (calendar) preceding the plan period.

STATEMENT V

Statement showing the total employment generation on the basis of Plan outlay and expenditure under various heads on the basis of the norms (*) of employment given in the statements I, II, III, & IV 'A' and 'B' columns represent employment in thousand man-years on the basis of outlays and expenditure respectively.

(In '000 man-years)

Plan Period	Large and Medium Industries		Village and Small Industries		Agricultural Production		Animal Husbandary, Dairying and Milk Supply		Remarks
	A	B	A	B	A	B	A	B	
1	2	3	4	5	6	7	8	9	10
First Plan (1951-56)	29.6 (36.3)	22.9@ (28.1)@	20.5 (25.2)	17.1@ (21.0)@	609.7 (748.5)	592.7@ (727.7)	32.8 (40.3)	26.1@ (32.0)@	Lower levels of employment generation due to the lower expenditure as againsts the outlays.
Second Plan (1956-61)	35.9 (46.4)	65.9 (85.1)	208.5 (262.9)	137.7@ (177.5)@	379.6 (490.3)	479.9 (619.9)	87.9 (113.5)	33.1@ (42.8)@	
Third Plan (1961-66)	117.0 (117.0)	159.3 (159.3)	240.2 (240.2)	175.4@ (175.4)@	985.3 (985.3)	935.5@ (935.5)@	137.8 (110.1)	N.A. (67.2)@	
Three Annual Plans (1969-66)	N.A. (109.7)	146.9 (109.7)	N.A. (109.7)	80.8 (60.4)	1,006.8 (752.1)	766.9@ (572.9)@	110.1 (82.2)	90.0@ (67.2)@	
Fourth Plan (1969-74)	266.4 (153.6)	—	230.5 (132.9)	—	1,711.9 (987.3)	—	206.6 (119.1)	—	

*Source : Employment Trends and Prospects—Labour and Employment Division, Planning Commission, November 1960.

N.B. —Figures in brackets indicate the employment generation in thousand man-years on the basis of prices prevailing in the year (calendar) preceding the Plan period, by assuming that employment norms of the Planning Commission hold good for the Third Plan Period, 1961-66 on 1960 prices, thereby generalising that the employment norms for the First, Second, Three Annual and Fourth Plans will hold good by converting the employment norms of 1960 on the basis of the prices of 1950, 1955, 1965 and 1968 respectively.

Explanatory note to Statements I to V

Statements I to V have been selectively prepared from the Second* set viz. VI to X, and these depict the figures of employment generated in the First, Second, Third, three Annual Plans and Fourth Plan, on the basis of (i) employment norms adopted by the Planning Commission on 1960 prices (see Appendix to Annexure II) and (ii) employment norms calculated on the basis of prices prevailing in the preceding (calendar) year to the Plan period. The figures of outlays and expenditure given in the statements are in respect of States and Union Territories only, that is to say, they exclude the programmes in the Central Sector. These statements refer to estimated direct employment in mandays and do not cover indirect employment or social cost-benefit. Diversion of outlays and expenditure by States leading to rise or fall in employment levels are not reflected in the statements as the facts relating thereto cannot be had from plan documents. These statements may be read in the context of employment norms given in annexure No. 2 and calculations are explained in paras 14—16 of the present note.

From the statements, the following inferences may be drawn:—

Statement I—Large and Medium Industries

(1) There has been increasing trend in the investment allocation, expenditure incurred and employment generation from one Plan period to another.

(2) In the First Plan period, the employment generated was lower than the estimated employment figure because of shortfalls in expenditure incurred as against the investment allocated.

Statement II—Village and Small Industries

(3) There was sharp increase in the employment generation from the First Plan to Second Plan due to higher allocation of investment and expenditure incurred. In the Third Plan, although there was higher outlay as well as in actual expenditure incurred over the Second Plan, the extent of employment generation was lower than that of the Second Plan due to the relatively higher prices that prevailed during the Third Plan. Subsequently, in the Fourth Plan, the investment allocation as well as the employment generation remained on the lower side, thereby indicating that the Village and Small Industries had received a lower degree of attention.

(4) In the first three Plans, the actual extent of employment generation was lower than the estimated employment figure evidently due to the lower levels of expenditure incurred against the investment allocated.

Statement III—Agricultural Production

(5) There has been increasing trend in the investment allocated from one Plan period to another (excluding the three annual plans) except in the Second Plan, the investment allocation was of a lower order than in the First Plan, and this has, therefore, resulted in lower level of employment generation.

(6) Although there was an increase in the investment allocation from Rs. 189.49 crores in the Third Plan to Rs. 329.22 crores in the Fourth Plan, the employment generation was well-high the same due to high levels of costs and prices in the Fourth Plan period. This would indicate that from the employment generation angle, there was actually no effective increase registered in the allocation in the Fourth Plan.

(7) In the First Plan and the three Annual Plan periods, the level of effective employment generation was of a lower order than the anticipated figure due to lower expenditure incurred as against the overall investment allocated.

Statement IV—Animal Husbandry, Dairying and Milk Supply

(8) There has been increasing trend in the actual allocation of investment from one plan period to another, excluding the three Annual Plans whose figures are not comparable to the five year Plan periods.

* Figures for Animal Husbandry, Dairying and Milk Supply, have been separately called out and they are not shown in the second set of Statements VI to X.

(9) There has, however, been an increasing trend in the employment generation except in the Fourth Plan, which was of a lower order than the Third Plan due to rise in the costs and prices. Nevertheless, the allocation in the Fourth Plan under this head is higher than in the Third Plan.

(10) In the First, Second and Three Annual Plan Periods, the effective employment generation was lower than the anticipated figure largely due to lower levels of expenditure as against the investment allocation.

Statement V—Combined figures of employment generation on (i) Large and Medium Industries, (ii) Village and Small Industries, (iii) Agricultural Production and (iv) Animal Husbandry, Dairying and Milk Supply.

(11) Among these four groups there has been maximum employment generation in all the Plans on Agricultural Production, relatively due to (i) higher allocation and expenditure in the Plans periods; and (ii) higher employment norms than the remaining three groups.

(12) In the First and Fourth Plans, the employment generation on Village and Small Industries was of a lower order than the large and medium industries, due to lower levels of allocation as well as expenditure, particularly, in the First Plan, on Village and Small Industries. However, in the Third Plan and Three Annual Plans Periods, the employment generation on Village and Small Industries was higher than in the Large and Medium Industries on account of higher allocation in the Third Plan Period and higher expenditure in the Third and Three Annual Plan periods, whereas the employment norms for both the Large and Medium Industries and Village and Small Industries remained the same.

(13) Among all the foregoing four groups, the minimum employment generation has been on Animal Husbandry, Dairying and Milk Supply in all the Plans, except in the (i) First Plan where the actual and anticipated employment generation was higher than the Large and Medium and Village and Small Industries due to higher expenditure as well as allocation, and during the (ii) Second Plan, where, although the anticipated employment generation was higher than the Large and Medium Industries due to higher allocation, the actual employment generation on Animal Husbandry etc. Group was minimum due to the lower expenditure. The employment norms for all the three Groups viz. Large and Medium Industries, Village and Small Industries and Animal Husbandry, Dairy and Milk Supply is almost same. (See note on employment norms at Annexure No. II).

From above, it may be concluded that minimum attention has been given to the Animal Husbandry, Dairy and Milk Supply Group so far.

Estimate of outlays for the Fifth Five Year Plan

(14) If we assume employment generation during the Fifth Plan on the same magnitude as would be generated in the Fourth Plan, on the basis of this exercise, the outlays for the various programmes may have to be raised by almost 17 per cent i.e. Rs. 125.72 crores over the Fourth Plan outlay of Rs. 739.53 crores for these four heads, making a total of Rs. 865.25 crores by taking also into consideration the price rises during the interval.

(15) The conversion factors used for calculating the employment norms for various plan periods have been worked out on the basis of Working Class Consumer Price Indices† which are as follows:—

(16) If we assume that employment norms of Planning Commission hold good for the Third Plan period, 1961-66 on 1960 prices, we can generalise that the employment norms for the First, Second, Three Annual, Fourth and Fifth Plans, will hold good by converting the employment norms of 1960 on the basis of prices for 1950, 1955, 1965, 1968 and 1973 respectively.

† Source : Yojana, Vol. XVI, No. 17, September, 1972.

Conversion factors for the :

(i) First Plan-1951-56	=	$\frac{124}{101}$	=	1.2278
(ii) Second Plan-1956-61	=	$\frac{124}{96}$	=	1.2917
(iii) Three Annual Plans (1966-69)	=	$\frac{124}{166}$	=	0.747
(iv) Fourth Plan 1969-74	=	$\frac{124}{215}$	=	0.5767
(v) Fifth Plan 1974-79	=	$\frac{124}{251}$ (estimated)	=	0.494



STATEMENT VI

OUTLAYS AND EXPENDITURE ON HEALTH

Statement showing the data on (a) Total State/U.T. Outlay, (b) Outlay on Health in the State/U.T., (c) Percentage allocation on Health in the State/U.T., (d) Total State/U.T., expenditure (e) Expenditure on Health, (f) Percentage expenditure on Health to the total State/U.T. Outlay and (g) Percentage expenditure on Health to the 'total State/U.T. expenditure. (Rs. in Lakhs)

State/Union Territories	Plan/Sub-ject	I Plan ¹¹ 1951-56	II Plan 1956-61	III Plan 1961-66	Annual Plan 1966-67	Annual Plan 1967-68	Annual Plan 1968-69	IV Plan ¹³ 1969-74
1	2	3	4	5	6	7	8	9
1. Andhra Pradesh								
(a)	(a)	11,414 ¹	21,919 ¹	30,500	9,050	6,898	6,155	42,050
(b)	(b)	844 ¹	1,402 ¹	2,004	180	200	200	1,000
(c)	(c)	3.9	6.4	6.6	2.0	2.9	3.2	2.4
(d)	(d)	9,869 ¹¹	18,064	3,447 ⁸	9,539	6,631	7,572	15,870
(e)	(e)	700 ¹	1,027	2,363	186	198	188	116
(f)	(f)	7.1	5.7	6.9	2.0	3.0	2.5	0.7
(g)	(g)	6.1	4.7	7.7	2.1	2.9	3.1	..
2. Assam								
(a)	(a)	2,167	5,794	12,000	2,985	3,000	2,940	26,175 ⁹
(b)	(b)	227	496	865	128	135	145	938
(c)	(c)	10.5	8.6	7.2	4.3	4.5	4.9	3.6
(d)	(d)	2,106	6,693 ¹²	13,244	2,717	3,211	2,781	8,000 ¹⁰
(e)	(e)	185	477 ¹²	965	162	136	152	218 ¹⁰
(f)	(f)	8.8	7.1	7.3	6.0	4.2	5.5	2.7
(g)	(g)	8.5	8.2	8.0	5.4	4.5	5.2	..
3. Bihar								
(a)	(a)	6,867	19,422	33,702	7,853	6,636	7,170	53,128
(b)	(b)	1,008	1,662	2,150	240	240	260	1,528
(c)	(c)	14.7	8.6	6.4	3.1	3.6	3.6	2.9
(d)	(d)	7,326	17,687	33,174	7,996	7,142	7,526	14,765
(e)	(e)	941	1,294	2,189	249	238	167	102
(f)	(f)	12.8	7.3	6.6	3.1	3.3	2.2	0.7
(g)	(g)	13.7	6.7	6.5	3.2	3.6	2.3	..
4. Gujarat								
(a)	(a)	3,049 ²	5,559 ²	23,650	5,230	7,256	7,970,	45,500
(b)	(b)	269 ²	376 ²	1,644	182	243	280	800
(c)	(c)	8.8	6.8	7.0	3.5	3.3	3.5	1.8
(d)	(d)	2,822 ²	1,468 ¹²	23,768	6,067	6,898	8,015	17,163
(e)	(e)	163 ¹	832	1,575	551 ¹⁴	284	314	235
(f)	(f)	5.8	5.7	6.6	..	4.1	3.9	1.4
(g)	(g)	5.3	@	6.7	..	3.9	3.9	..

5. Haryana

(a)	2,416	2,619	22,500
(b)	60	60	600
(c)	2.5	8.3	2.7
(d)	2,725	3,193	10,244
(e)	56	66	200
(f)	2.1	1.0	2.0
(g)	2.3	2.5	..

6. Himachal Pradesh

(a)	1,473	2,793	900	1,572	1,550	10,140
(b)	169	213	30	55	43	415
(c)	11.5	7.6	3.3	3.5	2.8	4.1
(d)	1,697	3,384	946	1,444	1,685	3,468
(e)	150	231	18	25	34	124
(f)	8.8	6.8	1.9	1.7	2.0	3.6
(g)	10.2	8.3	2.0	1.6	2.2	..

7. Jammu & Kashmir

(a)	1,274	3,392	7,500	1,904	2,025	15,840
(b)	145	285	578	60	85	494
(c)	11.4	8.4	7.7	3.2	4.2	3.1
(d)	1,109	2,682	6,124	1,696	2,043	5,020
(e)	111	256	747	43	52	108
(f)	10.0	9.5	12.2	2.5	2.5	2.1
(g)	8.7	7.5	10.0	2.3	2.6	..
				2,170	2,217	5,020
				80	3.7	3.1
				75	3.4	2.1
				3.5	3.5	..

8. Kerala

(a)	3,128 ^a	7,195 ^a	17,000	4,180	4,263	25,840
(b)	317 ^a	720 ^a	1,350	181	150	1,000
(c)	10.1	10.0	7.9	4.3	3.5	3.9
(d)	2,611 ^a	7,900	18,159	4,338	4,438	10,198
(e)	238 ^a	501	1,564	152	204	250
(f)	9.1	6.3	8.6	3.5	4.6	2.5
(g)	7.6	7.0	9.2	3.6	4.8	..
				4,427	4,427	25,840
				175	175	1,000
				4.0	4.0	3.9
				4,747	4,747	10,198
				139	139	250
				2.9	2.9	2.5
				3.1	3.1	..

9. Madhya Pradesh

(a)	8,368 ^a	23,019 ^a	0,000	5,380	6,038	38,300
(b)	1,104 ^a	1,652 ^a	32,190	189	237	1,060
(c)	13.2	7.2	7.1	3.5	3.9	2.8
(d)	7,418 ^a	14,550	28,835	5,592	5,362	12,839
(e)	836 ^a	971	2,089	195	243	221
(f)	11.3	6.7	7.2	3.5	4.5	1.7
(g)	10.0	@	7.0	3.6	4.0	..
				5,700	5,700	38,300
				260	260	1,060
				4.6	4.6	2.8
				526	526	12,839
				253	253	221
				4.5	4.5	1.7
				4.4	4.4	..

I		2	3	4	5	6	7	8	9
10. Maharashtra	(a)	15,986*	26,625*	39,020	12,309	12,238	13,900	89,812	
	(b)	1,903	2,363*	2,720	268	280	330	1,400	
	(c)	11.9	8.9	7.0	2.2	2.3	2.4	1.6	
	(d)	15,619*	21,403	43,360	11,786	12,323	14,739	30,583	
	(e)	1,356*	1,548	2,174	384	299	295	155	
	(f)	8.7	7.2	5.0	3.3	2.4	2.0	0.5	
	(g)	8.5	@	5.6	3.1	2.4	2.1	..	
11. Manipur	(a)	155	625	1,288	350	292	372	3,025	
	(b)	26	33	172	21	21	23	184	
	(c)	16.8	5.3	13.4	6.0	7.2	6.2	6.1	
	(d)	108	622	1,282	209	263	248	852	
	(e)	13	40	214	11	22	4	13	
	(f)	12.0	6.4	16.7	5.3	8.4	1.6	1.5	
	(g)	8.4	6.4	16.6	3.1	7.5	1.1	..	
12. Mysore	(a)	5,092*	8,437*	25,000	5,307	6,025	5,132	35,000	
	(b)	342*	458*	1,700	410**	145	150	800	
	(c)	6.7	5.4	6.8	..	2.4	2.9	2.3	
	(d)	4,412*	13,872	25,069	5,494	6,299	6,960	13,556	
	(e)	195*	1,147	1,746	109	112	152	276	
	(f)	4.4	8.3	7.0	2.0	1.8	2.2	2.0	
	(g)	3.8	13.6	7.0	2.1	1.9	3.0	..	
13. Nagaland (NHFA)	(a)			725	511	625	600	4,000	
	(b)			150	24	41	35	160	
	(c)			20.7	4.7	6.6	5.8	4.0	
	(d)			1,079	482	592	579	1,281	
	(e)			107	25	37	30	66	
	(f)			9.9	5.2	6.2	5.2	5.2	
	(g)			14.8	4.9	5.9	5.0	..	
14. Orissa	(a)	2,123	9,997	16,000	5,109	4,600	3,160	22,260	
	(b)	212	380	914	140	150	150	700	
	(c)	10.0	3.8	5.7	2.7	3.3	4.7	3.1	
	(d)	1,831	8,936	22,406	4,705	4,410	3,378	8,113	
	(e)	154	352	1,480	20	210	179	216	
	(f)	8.4	3.9	6.6	4.3	4.8	5.3	2.7	
	(g)	7.3	3.5	9.2	4.0	4.6	5.7	..	

15. Punjab	(a)	4,462 ⁷	16,268 ²	23,138	5,228 ¹⁴	4,200	3,030	29,356
	(b)	506 ⁷	964 ⁷	1,310	215 ¹⁴	135	65	750
	(c)	11.3	5.9	5.7	3.6	4.6	2.1	2.6
	(d)	4,173 ⁷	15,143	25,423	5,391 ¹⁴	4,618	4,441	12,561
	(e)	406 ⁷	619	1,547	119 ¹⁴	97	140	180
	(f)	9.7	4.1	6.1	2.2	2.1	3.2	1.0
	(g)	9.1	3.8	6.7	2.0	2.3	4.6	..
16. Rajasthan	(a)	2,729 ³	19,526 ⁸	23,600	4,967	4,300	4,355	30,200
	(b)	329 ⁸	739 ⁸	1,595	194	185	150	595
	(c)	12.1	7.0	6.8	3.9	4.3	3.4	2.0
	(d)	2,192 ⁸	9,986	21,069	4,875	3,987	4,798	11,345
	(e)	276 ⁸	698	1,770	186	203	215	176
	(f)	12.6	7.0	8.4	3.8	5.1	4.5	1.6
	(g)	10.1	6.6	7.5	3.7	4.7	4.9	..
17. Tamil Nadu (Madras State).	(a)	9,020	17,306	29,089	7,957	7,728	7,968	51,936
	(b)	845	1,602	2,150	278	250	369	1,610
	(c)	9.4	9.3	7.4	3.5	3.2	4.6	3.1
	(d)	8,563	18,619	34,233	8,262	8,959	9,577	18,327
	(e)	748	1,435	2,533	285	211	401	432
	(f)	8.7	7.7	7.4	3.4	2.4	4.2	2.4
	(g)	8.3	8.3	8.7	3.6	2.7	5.0	..
18. Tripura	(a)	227	847	1,632	450	500	450	3,466
	(b)	27	75	168	21	20	20	102
	(c)	11.9	8.9	10.3	4.7	4.0	4.4	2.9
	(d)	162	941	1,551	281	375	484	1,004
	(e)	22	94	138	12	2	4	13
	(f)	13.6	10.0	8.9	4.3	0.5	0.8	1.3
	(g)	9.7	11.1	8.5	2.7	0.4	0.9	..
19. Uttar Pradesh	(a)	12,984	25,310	49,701	14,844	15,604	14,604	96,500
	(b)	1,515	2,422	3,888	443	527	525	3,550
	(c)	11.7	9.6	7.8	3.0	3.4	3.6	3.7
	(d)	10,545 ¹⁴	22,832	56,025	15,070	15,082	14,589	36,377
	(e)	469 ¹⁴	1,177	3,622	79	499	560	703
	(f)	4.4	5.2	6.5	3.2	3.3	3.8	1.9
	(g)	3.6	4.7	7.3	3.2	3.2	3.8	..

1	2	3	4	5	6	7	8	9
20. West Bengal	(a)	7,645	15,367	29,315	6,329	6,087	5,501	32,250
	(b)	1,778	1,996	1,980	273	320	312	1,563
	(c)	23.3	13.0	6.8	4.3	5.3	5.7	4.8
	(d)	7,455	15,584	30,049	5,303	5,101	5,743	9,922
	(e)	1,630	1,427	2,290	288	401	427	323
	(f)	21.9	9.2	7.6	5.4	7.9	7.4	3.8
	(g)	21.3	9.3	7.8	4.6	6.6	7.8	..
<i>Union Territories</i>								
1. Andaman & Nicobar Islands	(a)	383	592	979	158	278	251	1,400
	(b)	..	25	51	10	14.1	10	24
	(c)	0.0	4.2	5.2	6.3	5.0	4.0	1.7
	(d)	82	362	617	106	210	212	471
	(e)	..	12	56	7.	4	4	13
	(f)	0.0	3.3	9.1	6.6	1.9	1.9	2.8
	(g)	0.0	2.0	5.7	4.5	1.4	1.6	..
2. Chandigarh	(a)	..	..	..	98	103	159	775
	(b)	..	..	..	..	..	9	123
	(c)	..	..	..	0.0	0.0	5.7	3.0
	(d)	..	..	956	192	73	76	211
	(e)	..	..	531	..	3	4	11
	(f)	..	..	55.5	0.0	4.1	5.3	5.2
	(g)	..	..	..	0.0	..	2.5	..
3. Dadra & Nagar Haveli	(a)	..	..	..	53	34	39	230
	(b)	..	..	..	4	2	3	6
	(c)	..	..	..	7.5	5.9	7.7	2.6
	(d)	..	..	25	24	27	20	88
	(e)	..	..	2	4	3	0.5(—)	2
	(f)	..	..	8.0	16.7	11.1	2.5	2.3
	(g)	..	..	..	7.5	8.8	1.3	..
4. Delhi	(a)	679	1,697	9,827	2,410	2,775	2,340	16,265
	(b)	182	260	1,509	80	115	71	700
	(c)	26.8	15.3	15.4	3.3	4.1	3.0	4.3
	(d)	585	1,142	9,309	2,187	2,200	2,197	2,966
	(e)	136	1,115	1,115	54	55	63	171
	(f)	23.2	10.1	12.0	2.5	2.5	2.9	5.8
	(g)	20.0	6.8	11.3	2.4	2.0	2.7	..

5. Goa, Daman, & Diu

(a)	..	2,304	789	840	774	3,930
(b)	..	328	86	66	66	296
(c)	..	14.2	10.9	7.9	8.5	7.5
(d)	..	1,527	522	758		1,235
(e)	..	287	42	40		69
(f)	..	18.8	8.0	5.3	6.8	5.6
(g)	..	12.5	5.3	4.8	6.1	..

6. Laccadives, Amindive & Minicoy Islands

(a)	..	98	62	56	44	200
(b)	..	10	2	4	2	12
(c)	..	10.2	3.2	7.1	4.5	6.0
(d)	42	99	44	29	22	63
(e)	10	10	1	1	0.5	1.1
(f)	23.8	10.1	2.3	3.4	2.3	1.6
(g)	..	10.2	1.6	1.8	1.1	..

7. N.E.F.A.

(a)	421	950	267	250	340	1,799
(b)	88	200	34	39	26	92
(c)	20.9	21.0	12.7	12.0	7.6	5.1
(d)	230	374	202	296	276	668
(e)	58	68	19	16	9	30
(f)	25.2	18.2	9.4	5.4	3.3	4.5
(g)	13.8	7.2	7.1	6.4	2.6	..

8. Pondicherry.

(a)	74	476	214	218	218	1,250
(b)	14	102	30.4	22	26	80
(c)	18.9	21.4	..	10.1	11.9	6.4
(d)	50	366	142	174	209	463
(e)	5	48	12	12	16	22
(f)	10.0	13.1	8.5	6.9	7.7	4.8
(g)	6.8	10.1	5.6	5.6	7.3	..

TOTAL STATES & UNION TERRITORIES

(a)	98,816	224,088 ¹⁶	410,269	105,594	106,857	703,147
(b)	11,749	18,382 ¹⁷	30,141	3,724	9,752	20,481
(c)	11.9	8.2	7.3	3.5	3.5	2.9
(d)	89,769	2,14,180	436,559	103,992	105,470	249,652
(e)	8,712	14,298	31,590	3,798	3,662	4,545
(f)	9.7	6.7	7.2	3.7	3.5	1.8
(g)	8.8	6.4	7.7	3.6	3.4	3.8

Source	Name of the publication
1. First Plan—Outlays and expenditure.	Review of the First Five Year Plan May, 1957. Planning Commission (PP-340-42 370-72, 395-97).
2. Second Plan—Outlays	Second Five Year Plan 1966, Planning Commission (PP-620-688).
3. Second Plan—Expenditure (Estimated)	Third Five Year Plan, Planning Commission (PP-740-49).
4. Annual Plan, 1966-67—Outlays for State/U.T.	Annual Progress Report, 1966-67. Planning Commission (Appendix 2.1, 2.2).
5. Annual Plan, 1967-68—Outlays for States/U.T.	Annual Progress Report, 1967-68. Planning Commission (Appendix 2.3, 2.4).
6. Annual Plan, 1968-69—Outlays & Expenditure for States/U. T. and Expenditure for 1966-67 & 1967-68 also.	Annual Progress Report, 1968-69. Planning Commission (Appendix 2.3, 2.4 & 8.1).
7. Fourth Plan, Outlays for States & Union Territories	Fourth Five Year Plan. Planning Commission (P-67).
8. Remaining data	Planning Commission.

N B.

¹This includes Andhra Pradesh and Hyderabad State.

²This includes Saurashtra and Kutch States,

³This includes Travancore and Cochin States.

⁴This includes Madhya Pradesh, Madhya Bharat, Bhopal and Vindhya Pradesh States.

⁵This relates to Bombay State.

⁶This includes Mysore and Coorg States.

⁷This includes Punjab and Pepsu States.

⁸This includes Rajasthan and Ajmer States.

⁹This includes Rs. 3,800 lakhs for Meghalaya's Fourth Five Year Plan.

¹⁰Incomplete figures for Meghalaya in Assam.

¹¹Figures for I Plan relate to Medical & Public Health.

¹²Figure includes Haryana State also.

¹³Expenditure data under Fourth Plan relate to two years viz 1969-70 and 1970-71.

¹⁴Includes water supply also.

¹⁵This includes Nagaland also.

¹⁶Includes Rs. 12.2 crores, Centre's share of DVC and additional provision of Rs. 70.36 lakhs for NES and Community Projects.

¹⁷Certain schemes for minor ports, inland water transport and other transport have been shown as Central schemes.

¹⁸Does not include an expenditure of Rs. 8.39 crores incurred during 1951-56 on Urban and Rural Water Supply and Sanitation Schemes.

@ This has not been calculated as there is much difference in the areas of the State for which expenditure on the Health and the State outlays have been given.

Explanatory note to Statement VI

Outlay and Expenditure of Health

Separate data on Rural and Urban Health Programmes are not available and as such figures of outlays and expenditure are given under one head viz. Health.

From the statement, the following inferences may be drawn:—

- (i) There has been decreasing trend in the percentage allocation under this head, from 11.9% in the First Plan to 2.9% in the Fourth Plan. But, during the three annual Plans, there has been almost the same percentage of allocation.
- (ii) There has been higher percentage of allocation in the Union Territories as compared with the States.
- (iii) Among the States, the percentage of allocation was the highest for West Bengal and rather low for Andhra Pradesh, Gujarat, Maharashtra and Mysore.
- (iv) Among the Union Territories, percentage of allocation was high in respect of Delhi, Goa, Daman and Diu and Pondicherry. As against this, the percentage of allocation was the minimum for the Andaman and Nicobar Islands.

The following table shows the minimum and maximum percentage of allocation of Health in States and Union Territories:—

	All India (combined)	Minimum	Maximum
First Plan	11.9	(i) 3.9 (Andhra Pradesh) (ii) 0.0 (Andaman)	23.3 (W.B.) 26.8 (Delhi)
Second Plan	8.2	3.8 (Orissa) 4.2 (Andaman)	13.0 (W.B.) 21.4 (Pondicherry)
Third Plan	7.3	5.7 (Orissa & Punjab) 5.2 (Andaman)	7.9 (Kerala) 23.1 (Pondicherry)
Annual Plan 1966-67	3.5	2.0 (Andhra Pradesh) 3.2 (L.A.M.-Islands)	4.7 (Nagaland) 12.7 (NEFA)
Annual Plan 1967-68	3.5	2.3 (Maharashtra) 3.5 (H.P.)	6.6 (Nagaland) 12.0 (NEFA)
Annual Plan 1968-69	3.7	2.1 (Punjab) 2.8 (H.P.)	5.8 (Nagaland) 11.9 (Pondicherry)
Fourth Plan	2.9	1.8 (Gujarat) 1.7 (Andaman)	4.8 (W.B.) 7.5 (Goa, Daman & Diu).

- (v) The range difference in the percentage allocation on health has steadily gone down from (3.9—23.3=19.4) in First Plan to 1.8—4.8=3.0) in Fourth Plan among States and (0.0—26.8=26.8) in First Plan to 1.7—7.5=5.8) in Fourth Plan among Union Territories.

- (vi) During the First, Second and Fourth Plans, the percentage of expenditure on health to the total State outlay as well as total State expenditure was of a lower order as compared with the percentage allocation on health. However, in the Third Plan, percentage expenditure on health to the total State outlay (7.7%) was higher than the percentage allocation on health (7.3%) but percentage expenditure on health of the total State expenditure (7.2%) was slightly less than the percentage allocation on health (7.3%).

In the three Annual Plans percentage expenditure as well as allocation on health was nearly the same.

STATEMENT VII

OUTLAYS AND EXPENDITURE ON POWER

Statement showing the data on (a) total State U. I. outlay, (b) outlay on power, (c) percentage allocation on power in the State/U. I. (d) total State expenditure, (e) expenditure on Power, (f) percentage expenditure on power to the total State U. I. outlay and (g) percentage expenditure on power to the total State U. I. expenditure:

States/Union Territories	Plan/Subject	I Plan 1951-56	II Plan 1956-61	III Plan 1961-66	Annual Plan 1966-67	Annual Plan 1967-68	Annual Plan 1968-69	IV Plan ^{1a}					Investi- gation Miscella- neous	Total ^{1b} of Columns 9 to 12
								Genera- tion Schemes	Transmis- sion & Distribu- tion	Rural electri- fication	10	11	12	13
1. Andhra Pradesh	(a)	11,414 ¹	21,919 ¹	30,500	9,050	6,898	6,155	8,650	3,100	1,500				42,050
	(b)	2,900 ¹	3,358 ¹	7,881	3,200	2,384	2,076	20.6	7.4	3.5			50	13,300
	(c)	25.4	15.3	38.4	35.4	34.6	33.7						0.1	31.6
	(d)	9,869 ¹	18,064	34,478	9,359	6,631	7,572	4,967	1,519	1,958			12	15,870
	(e)	2,899 ¹	3,469	9,029	3,936	2,730	3,129	31.3	9.6	12.3			0.1	8,456
	(f)	29.4	19.2	26.2	42.1	41.2	41.3							53.3
	(g)	25.4	15.8	29.6	43.4	39.5	50.8							
2. Assam	(a)	2,167	5,794	12,000	2,985	3,000	2,940	1,402	1,193	1,088 ¹⁰			173	26,175
	(b)	200	380	2,750	525	700	690	5.3	4.5	4.2			0.7	3,856
	(c)	9.2	6.6	22.9	17.6	23.3	23.5							14.7
	(d)	2,106	6,693 ¹⁵	13,224	2,717	3,211	2,781	514	623	311			51	8,000 ^{1a}
	(e)	137	551 ¹⁵	4,462	590	853	620	6.4	7.8	3.9			0.7	1,499 ^{1a}
	(f)	6.5	8.2	38.7	21.7	26.6	22.3							18.8
	(g)	6.3	9.5	37.2	19.8	28.4	21.1							
3. Bihar	(a)	6,867	19,422	33,702	7,853	6,636	7,170	16,325	5,000	3,600			75	53,128
	(b)	980	2,701	7,062	2,275	1,900	1,575	11.9	9.4	6.8			0.1	15,000
	(c)	14.3	13.9	21.0	29.0	28.6	22.0							28.2
	(d)	7,326	17,687	33,174	7,996	7,142	7,526	1,427	1,691	881			30	14,765
	(e)	949	3,125	9,579	2,283	1,715	2,320	9.7	11.4	6.0			0.2	4,029
	(f)	13.0	17.7	28.9	28.6	24.0	30.8							27.3
	(g)	13.8	16.1	28.4	29.1	25.8	32.4							

4. Gujarat	(a)	3,049 ^a	5,559 ^a	23,650	5,230	7,256	7,970	7,080	3220	600	100	45,500
	(b)	424 ^a	649 ^a	4,668	915	1,457	1,675	15.6	7.1	1.3	0.2	11,000
	(c)	19.7	11.7	19.7	17.5	20.1	21.0					24.2
	(d)	2,822 ^a	14,683	23,768	6,067	6,898	8,015					17,163
	(e)	304 ^a	1,555	6,359	1,288	1,463	1,722	3,686	1,229	388	16	5,319
	(f)	13.6	10.6	26.7	21.2	21.2	21.5	21.5	7.1	2.3	0.1	31.0
5. Haryana	(g)	12.6	@	26.8	24.6	20.2	21.6	..	..	..	..	..
	(a)			2,416		2,416	2,619					22,500
	(b)			995		995	999	4,053	2,999	1,000	..	8,052
	(c)			41.2		41.2	38.1	18.0	13.3	4.5	..	35.8
	(d)			2,725		2,725	3,473					10,244
	(e)			1,231		1,231	1,913	1,604	1,290	1,512	..	4,406
6. Himachal Pradesh	(f)			45.2		45.2	55.1	15.7	12.6	14.7	..	42.0
	(g)			51.0		51.0	73.0	..	..	..	..	..
	(a)	570	1,473	2,793	900	1,572	1,550					10,140
	(b)	35	214	197	92	255	430	1,078	285	121	60	1,544
	(c)	6.1	14.5	7.1	10.2	16.2	27.7	10.6	2.8	1.2	0.6	15.2
	(d)	499	1,697	3,384	946	1,444	1,685					3,458
7. Jammu & Kashmir	(e)	22	163	240	122	395	416	..	..	..	..	842
	(f)	4.4	9.6	7.1	12.9	27.4	24.7	..	..	..	..	24.8
	(g)	3.9	11.1	8.6	13.6	25.1	26.8	..	..	..	..	..
	(a)	1,274	3,392	7,500	1,904	2,025	2,170					15,840
	(b)	295	929	997	401	485	539	2,748	1,087	100	74	4,009
	(c)	23.2	9.7	13.3	21.1	24.0	24.6	17.3	6.9	0.6	0.5	25.3
8. Kerala	(d)	1,109	2,682	6,124	1,698	2,043	2,217					5,020
	(e)	271	370	925	468	515	502	1,031	314	109	31	1,485
	(f)	24.4	13.8	15.1	27.6	25.2	22.6	20.5	6.3	2.2	0.6	29.6
	(g)	21.3	10.9	12.3	24.6	25.4	23.1	..	..	..	..	..
	(a)	3,128 ^a	7,195 ^a	17,000	4,180	4,263	4,427					25,840
	(b)	1,185 ^a	2,185 ^a	4,356	1,500	1,285	1,550	4,875	2400	450	50	7,775
	(c)	37.9	30.4	25.6	35.9	30.1	35.0	18.9	9.3	1.7	0.2	30.1
	(d)	2,611 ^a	7,900	18,159	4,338	4,438	4,747					10,198
	(e)	1,062 ^a	2,204	6,083	1,455	1,641	1,182	1,610	847	539	48	3,044
	(f)	40.7	27.9	33.5	33.5	37.0	24.9	15.8	8.3	5.3	0.5	29.9
	(g)	33.9	30.6	35.8	34.8	38.5	26.7	..	..	..	..	..

1	2	3	4	5	6	7	8	9	10	11	12	13
9. Madhya Pradesh												
(a)	8,368 ⁴	23,019 ⁴	30,000	5,380	6,038	5,700	2,840	2,810	2,000	50	38,300	
(b)	1,289 ⁴	4,075 ⁴	7,600	1,350	1,750	1,424	7.4	7.3	5.3	0.1	7,700	
(c)	15.4	17.7	25.3	25.1	29.0	25.0					20.1	
(d)	7,418 ⁴	14,550	28,835	5,592	5,362	5,662					12,839	
(e)	11,128 ⁴	2,736	8,905	1,837	1,517	1,456	565	1,073	2,228	3	3,869	
(f)	15.2	18.8	30.9	32.9	28.3	25.9	4.4	8.4	17.3	0.0(+)	30.1	
(g)	13.5	@	35.8	34.1	25.1	25.5	..	..	..	..	..
10. Maharashtra												
(a)	15,986 ⁵	26,625 ⁵	39,020	12,309	12,238	13,900	14,200	8,000	2,500	225	89,812	
(b)	1,348 ⁵	4,100 ⁵	8,294	2,942	3,568	3,665	15.8	8.9	2.8	0.3	24,925	
(c)	8.4	15.4	21.3	23.9	29.2	26.4					27.8	
(d)	15,619 ⁵	21,403	43,360	11,786	12,323	14,739	5,400	3,628	483	208	30,583	
(e)	1,098 ⁵	4,067	9,058	3,200	3,756	4,588	17.6	11.9	1.6	0.7	9,719	
(f)	7.0	19.0	20.9	27.2	30.5	31.1	..	..	..	..	31.8
(g)	6.9	@	23.2	26.0	30.7	33.0	..	..	..	..	..
11. Manipur												
(a)	155	625	1,288	350	292	372	39	197	79	..	3,025	
(b)	12	95	107	22	28	40	1.3	6.5	2.6	..	315	
(c)	7.7	15.2	8.3	6.3	9.6	10.8					10.4	
(d)	108	622	1,282	209	263	248	..	..	..	..	852
(e)	10	44	48	16	25	28	..	..	..	..	90
(f)	9.3	7.1	3.7	7.7	9.5	11.3	..	..	..	..	10.6
(g)	6.5	7.0	3.7	4.6	8.6	7.5	..	..	..	..	..
12. Mysore												
(a)	5,092 ⁵	8,437 ⁵	25,000	5,307	6,025	5,132	2,190	4,980	1,550	30	35,000	
(b)	1,614 ⁵	2,176 ⁵	6,967	1,421	1,805	3,217	6.3	14.2	4.4	0.1	8,750	
(c)	31.7	25.8	27.9	26.8	30.0	62.7					25.0	
(d)	4,412 ⁵	13,872	25,069	5,494	6,299	6,960	485	1,909	801	13	13,556	
(e)	1,054 ⁵	2,688	6,510	1,694	2,020	2,037	3.6	14.1	5.9	0.1	3,208	
(f)	23.9	19.4	26.0	30.8	32.1	29.3	..	..	..	..	23.7
(g)	20.7	13.9	26.0	31.9	33.5	39.7	..	..	..	..	..

13. Nagaland
(N.H.T.A.)

(a)	725	511	625	600	36	156	7	28	4,000
(b)	30	55	78	41	0.9	3.9	0.2	0.7	227
(c)	4.1	10.8	12.5	6.8					5.7
(d)	1,079	482	592	579					1,281
(e)	86	57	58	33	3	26	45	7	81
(f)	8.0	11.8	9.8	5.7	0.2	2.0	3.5	0.6	6.3
(g)	11.9	11.2	9.3	5.5					

14. Orissa

(a)	2,123	9,937	16,000	5,109	4,600	3,160			22,160
(b)	615	2,553	4,462	1,200	978	665	605	100	6,619
(c)	29.0	25.5	27.9	23.5	21.3	21.0	2.7	0.4	29.7
(d)	1,831	8,936	22,406	4,705	4,410	3,378			8,113
(e)	475	1,372	3,084	1,152	1,078	1,043	250	24	2,880
(f)	25.9	15.4	22.7	24.5	24.4	30.9	3.1	0.3	35.5
(g)	22.4	13.7	31.8	22.5	23.4	33.0			

15. Punjab

(a)	4,462 ⁷	16,268 ⁷	23,138	5,928 ¹¹	4,200	3,030			29,356
(b)	597	3,633 ⁷	6,764	2,550 ¹²	1,870	1,546	900	15	11,908
(c)	13.3	22.3	29.2	43.0	44.5	51.0	3.0	0.1	40.6
(d)	4,173 ⁷	15,143	25,423	5,391 ¹²	4,618	4,441			12,561
(e)	640 ⁷	3,908	8,614	2,679 ¹²	2,173	2,162			6,609
(f)	15.3	25.8	33.9	49.7	47.1	48.7	11,613	7	52.6
(g)	14.3	24.0	37.2	45.2	51.7	71.3	12.8	0.1	

16. Rajasthan

(a)	2,729 ⁸	10,527 ⁸	23,600	4,967	4,900	4,355			30,200
(b)	367 ⁸	2,000 ⁸	3,500	1,197	1,494	1,397	11,400	100	9,616
(c)	13.4	19.0	14.8	24.1	34.7	32.1	4.6	0.0(+)	31.8
(d)	2,192 ⁸	9,966	21,069	4,875	3,987	4,798			11,345
(e)	120 ⁸	1,575	3,923	1,679	1,394	1,577	11,224	18	4,619
(f)	5.5	15.8	18.6	34.4	35.0	32.9	10.8	0.2	35.8
(g)	4.4	15.0	16.6	33.8	32.4	36.2			

17. Tamil Nadu
(Madras State)

(a)	9,020	17,306	29,089	7,957	7,228	7,968			51,936
(b)	3,386	5,760	10,019	2,370	2,910	1,500	4,115	35	15,550
(c)	37.5	33.3	34.4	29.8	37.7	19.5	7.9	0.1	29.9
(d)	8,563	18,619	34,233	8,262	8,959	9,577			18,327
(e)	3,068	7,885	11,920	2,820	3,370	4,236	12,587	92	7,767
(f)	35.8	42.3	34.8	34.1	37.6	44.2	14.1	0.5	42.4
(g)	34.0	45.5	41.0	35.4	43.6	53.2			

1	2	3	4	5	6	7	8	9	10	11	12	13
18. Tripura	(a)	227	847	1,632	450	500	450	492	379	30	..	3,466
	(b)	7	43	73	56	70	116	14.2	10.9	10.9	..	901
	(c)	3.1	5.1	4.5	12.4	14.0	25.8	..	..	..	..	26.0
	(d)	162	941	1,551	281	375	484	..	..	..	..	1,004
	(e)	15	34	50	14	63	157	..	..	..	..	380
	(f)	9.3	3.6	3.2	5.0	16.8	32.4	..	..	..	..	32.9
	(g)	6.6	4.0	3.1	3.1	12.6	34.9	..	..	..	..	..
19. Uttar Pradesh	(a)	12,984	25,310	49,701	14,844	15,604	14,604	17,773	12,527	6,100 ¹⁴	400	96,500
	(b)	2,342	5,462	10,761	4,617	5,990	5,453	18.4	13.0	6.3	0.4	36,800
	(c)	18.0	21.6	21.7	31.1	38.4	37.3	..	..	..	..	38.1
	(d)	10,545 ¹⁴	22,832	56,025	15,070	15,082	14,589	8,264	4,335	2,937	57	36,377
	(e)	1,690	5,691	15,619	5,821	6,344	5,389	22.7	11.9	8.1	0.2	15,593
	(f)	16.0	24.9	27.9	38.6	42.1	36.9	..	..	..	..	42.9
	(g)	13.0	22.5	31.4	39.2	40.7	36.9	..	..	..	..	..
20. West Bengal	(a)	7,645	15,367	29,315	6,329	6,087	5,501	3,400	2,400	1,000	20	32,250
	(b)	259	1,269	5,708	1,032	1,000	773	10.5	7.4	3.1	0.1	6,820
	(c)	3.4	8.3	19.5	16.3	16.4	14.1	..	..	..	..	21.1
	(d)	7,455	15,584	30,049	5,303	5,101	5,743	1,722	573	119	5	9,922
	(e)	257	1,194	7,729	1,082	652	1,107	17.3	5.8	1.2	0.1	2,419
	(f)	3.4	7.7	25.7	20.4	12.8	19.3	..	..	..	..	24.4
	(g)	3.4	7.8	26.4	17.1	10.7	20.1	..	..	..	..	..

UNION TERRITORIES

1. Andaman & Nicobar Islands

(a)	383	592	979	158	278	251	1,400
(b)	2	2	14	9	24	15	55
(c)	0.0	0.3	1.4	5.7	8.6	6.0	3.9
(d)	82	362	617	106	210	212	471
(e)	1	11	5	13	14	14	20
(f)	0.0	0.3	1.8	4.7	6.2	6.6	4.2
(g)	0.0	0.2	1.1	3.2	4.7	5.6	..

2. Chandigarh	(a)	..	98	103	159	..	175	..	775
	(b)	..	0.0	0.0	25	..	22.6	..	175
	(c)	956	192	73	76	..	211	..	22.6
	(d)	..	29	12	32	..	..	..	211
	(e)	0.0	15.1	16.4	42.1	..	..	..	76
	(f)	..	29.6	11.7	20.1	..	..	..	3.6
	(g)	..	..	..	..	..	..	..	..
3. Dadra & Nagar Haveli	(a)	..	53	34	39	..	..	..	230
	(b)	..	2	4	5	..	..	..	134
	(c)	..	3.8	11.8	12.8	..	..	..	14.8
	(d)	25	24	27	20	..	..	..	88
	(e)	2	2	3	3	..	..	..	7
	(f)	8.0	8.3	11.1	15.0	..	..	..	8.0
	(g)	..	3.8	8.8	7.7	..	..	..	..
4. Delhi	(a)	1,637	2,410	2,715	2,940	..	..	..	16,265
	(b)	404	900	1,000	800	939	2,930	250	4,219
	(c)	0.0	37.5	36.0	34.2	5.8	18.0	1.5	25.9
	(d)	585	2,187	2,200	2,197	..	..	..	2,966
	(e)	..	2,114	924	2,719	..	..	..	1,444
	(f)	0.0	22.7	42.0	32.7	..	..	..	48.7
	(g)	0.0	21.6	33.3	30.8	..	..	..	..
5. Goa, Daman & Diu	(a)	2,304	789	840	774	..	..	..	3,950
	(b)	340	145	128	133	..	418	227	720
	(c)	14.8	18.4	15.2	17.2	..	10.6	5.7	18.2
	(d)	1,527	522	758	689	..	..	..	1,235
	(e)	239	93	150	113	..	..	..	155
	(f)	15.7	17.8	19.8	16.4	..	..	..	12.6
	(g)	10.4	11.8	17.8	14.6	..	..	..	..
6. Laccadive, Amindive & Minicoy Islands	(a)	98	62	56	44	..	..	18	200
	(b)	5	4	3	4	..	..	9.0	18
	(c)	5.1	6.5	5.4	9.1	..	..	..	9.0
	(d)	99	44	29	22	..	..	..	63
	(e)	6	1	3	3	..	..	..	4
	(f)	6.1	2.3	10.3	13.6	..	..	..	6.3
	(g)	..	1.6	5.4	6.8	..	..	..	..

1	2	3	4	5	6	7	8	9	10	11	12	13
7. N.E.F.A.	(a)	421	950	715	267	250	340	..	..	..	..	1,799
	(b)	..	19	60	15	15	30	..	..	140	..	140
	(c)	0.0	2.0	8.4	5.6	6.0	8.8	..	..	7.8	..	7.8
	(d)	230	374	732	202	296	276	..	..	..	..	668
	(e)	..	9	25	17	12	18	..	..	..	..	29
	(f)	0.0	2.4	3.4	8.4	4.1	6.5	..	..	..	..	4.3
	(g)	0.0	9.5	3.5	6.4	4.8	5.3	..	..	..	..	..
8. Pondicherry	(a)	74	476	693	214	218	218	..	..	..	..	1,250
	(b)	13	60	69	20	25	12	..	43	..	14	57
	(c)	17.6	12.6	10.0	9.3	11.5	5.5	..	3.5	..	1.1	4.6
	(d)	50	366	601	142	174	209	..	..	..	..	463
	(e)	12	58	61	23	16	13	..	..	..	..	43
	(f)	24.0	15.8	10.1	16.2	9.2	6.2	..	..	..	..	9.3
	(g)	16.2	12.2	8.8	10.7	7.3	6.0	..	..	..	..	..
TOTAL STATES & UNION TERRITORIES	(a)	98,816	2,24,088 ¹⁸	4,10,269	1,05,594	1,06,857	1,03,938	99,954	68,978	29,469	1,684	7,03,147
	(b)	17,863	42,687 ¹⁷	94,674	27,015	32,201	30,364	14.2	9.8	4.2	0.3	2,00,085
	(c)	18.1	19.0	23.1	25.6	30.1	29.2	..	..	..	..	28.5
	(d)	89,769	2,14,180	4,36,559	1,03,992	1,05,470	1,12,815	..	..	..	..	2,49,652
	(e)	15,289	42,834	1,16,661	33,346	34,126	36,532	41,259	24,966	18,466	687	85,378
	(f)	17.0	20.0	26.7	32.1	32.4	32.3	16.5	10.0	7.4	0.3	34.2
	(g)	15.5	19.1	28.4	31.6	31.9	35.1	..	..	..	..	..

- ¹This includes Andhra Pradesh and Hyderabad State;
- ²This includes Saurashtra and Kutch States;
- ³This includes Travancore and Cochin States;
- ⁴This includes Madhya Pradesh, Madhya Bharat, Bhopal and Vindhya Pradesh, States;
- ⁵This relates to Bombay State;
- ⁶This includes Mysore and Coorg States;
- ⁷This includes Punjab and PEPSU States;
- ⁸This includes Rajasthan and Ajmer States;
- ⁹This includes Rs. 3,800 lakhs for Meghalaya's Fourth Five Year Plan;
- ¹⁰This includes Rs. 388 lakhs for hill areas in Assam;
- ¹¹Excluding rural electrification schemes in Madhya Pradesh;
- ¹²Figures include Haryana State also;
- ¹³Expenditure data under Fourth Plan relate for two years viz. 1969-70 and 1970-71;
- ¹⁴Provisional;
- ¹⁵Figures include Nagaland also;
- ¹⁶Includes Rs. 12.2 crores, Centre's share of DVC and additional provision of Rs. 70.36 lakhs for NES and Community Projects;
- ¹⁷Includes Rs. 12.2 crores, Centre's share of DVC;
- ¹⁸Does not include an expenditure of Rs. 8.39 crores incurred during 1951 on Urban and Rural Water Supply and Sanitation Schemes;
- ¹⁹Incomplete figures for Meghalaya in Assam;
- ²⁰Separate data on expenditure under the heads of Generation Scheme, Transmission & Distribution, Rural Electrification and Investigation and Miscellaneous are not available.
- @ This has not been calculated as there is too much difference in the areas of the State for which expenditure on the Power and State outlay have been given.

<i>Source</i>	<i>Name of the Publications</i>
1. First Plan—Outlays and Expenditure	Review of the First Five Year Plan, May 1957 Planning Commission (pp-340-42, 370-72, 395-97)
2. Second Plan—Outlays	Second Five Year Plan, 1956 Planning Commission (pp-620-643)
3. Third Plan—Expenditure (Estimated)	Third Five Year Plan, Planning Commission (pp-740-49)
4. Annual Plan, 1966-67—Outlays and Expenditure on power.	Annual Plan Progress Report, (1966-67) Planning Commission (Appendix 2.1, 2.2), 5.1)

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| 5. Annual Plan, 1967-68—Outlays and Expenditure on Power. | Annual Plan Progress Report, 1967-68, Planning Commission (Appendix 2.3, 2.4, 8.2) |
| 6. (i) Annual Plan, 1968-69—State Outlay and Expenditure on Power. | Annual Plan Progress Report, 1968-69, Planning Commission (Appendix 2.3, 2.4, 8.1) |
| (ii) Annual Plan, 1966-67, 1967-68—State expenditure. | |
| 7. Fourth Plan—Outlays | Fourth Five Year Plan. Planning Commission (pp. 67, 282-83) |
| 8. Remaining data | Planning Commission. |



Explanatory note to Statement VII

Outlays and Expenditure on Power

Data on Outlay and Expenditure on Agriculture, Industries, Rural and Urban Electricity are not available separately and as such only the data under one head viz. power have been given here for all the Plans except for the Fourth Five Year Plan data relate to Generation Schemes, Transmission and Distribution, Rural Electrification and Investigation and Total on Power.

From the statement, the following inferences may be drawn:—

- (i) There has been an increasing trend in the percentage allocation from 18.1% in First Plan to 28.5% in the Fourth Plan;
- (ii) The percentage expenditure on Power to the total State/UT outlay, as well total State/U.T. expenditure has been higher than the percentage allocation on Power during the Plans except in the First Plan where the percentage expenditure on Power was slightly less;
- (iii) The following table shows the minimum and maximum percentage allocation on Power in States and Union Territories:—

	All India (combined)		Minimum	Maximum
	1		2	3
First Plan	18.1	(i)	3.4 (W.B.)	37.9 (Kerala)
		(ii)	0.0 (Delhi)	17.6 (Pondicherry)
			Andaman & & NEFA	
Second Plan	19.0	(i)	6.6 (Assam)	33.3 (Tamil Nadu)
		(ii)	0.3 (Andaman)	23.8 (Delhi)
Third Plan	23.1	(i)	13.3 (J&K)	38.4 (A.P.)
		(ii)	1.4 (Andaman)	20.3 (Delhi)
Annual Plan 1966-67	25.6	(i)	10.8 (Nagaland)	43.0 (Punjab)
		(ii)	5.6 (NEFA)	37.5 (Delhi)
Annual Plan 1967-68	30.1	(i)	12.5 (Nagaland)	44.5 (Punjab)
		(ii)	0.0 (Chandigarh)	36.0 (Delhi)
Annual Plan 1968-69	29.2	(i)	6.8 (Nagaland)	51.0 (Punjab)
		(ii)	5.5 (Pondicherry)	34.2 (Delhi)
Fourth Plan	28.5	(i)	5.7 (Nagaland)	40.6 (Punjab)
		(ii)	3.9 (Andaman)	25.9 (Delhi)

Among the States, the minimum percentage of (not on) allocation in the First Plan was 3.4 in West Bengal and in the Fourth Plan, it was 5.7 in Nagaland. The maximum percentage of allocation in the First Plan was 37.9 in Kerala and in the Fourth Plan it was raised to 40.6 in Punjab.

Among the Union Territories, the minimum percentage of allocation in the First Plan was zero in the Andamans, Delhi and NEFA whereas in the Fourth Plan it went upto 3.9 in the Andamans. The maximum percentage of allocation in the First Plan was 17.6 in Pondicherry and in the Fourth Plan 25.9 in Delhi.

- (iv) In the Fourth Plan, the percentage allocation on Generation Schemes, Transmission and Distribution, Rural Electrification and Investigation and Miscellaneous is 14.2, 9.8, 4.2 and 0.3 respectively, i.e. 4.2% (1/7 of the total Power) allocation is given for Rural Electrification.

The percentage allocation on Rural Electrification (i) among the States was minimum in Nagaland (0.2) and maximum in Bihar (6.8) and (ii) among the Union Territories minimum in Tripura (0.9) and maximum in Dadra and Nagar Haveli (14.8); whereas no allocation has been made to Chandigarh and Pondicherry under the aforesaid head.

STATEMENT VIII (a)

DISTRIBUTION OF PLAN OUTLAY ON EDUCATION

Sub-head		Amount (Rs. crores)				Percentage			
		First Plan	Second Plan	Third Plan	Fourth Plan	First Plan	Second Plan	Third Plan	Fourth Plan
1		2	3	4	5	6	7	8	9
Elementary Education	Edu-	93	89	209	235	54.7	29.0	37.3	28.6
Secondary Education	Edu-	22	51	88	118	13.0	16.6	15.7	14.3
University Education	Edu-	15	57	82	184	8.8	18.6	14.6	22.4
Other Programmes :									
Social Education		5	5	6	8	2.9	1.6	1.1	1.0
Physical Education & Youth Welfare		12	73	12	..	7.1	17.3	2.1	..
Others		..	..	11	140	..	..	2.0	17.0
Cultural Programmes	Prog-	*	4	10	13	..	1.3	1.8	1.6
Sub Total		147	259	418	698	86.5	84.4	74.6	84.8
Technical Education		23	48	142	125	13.5	15.6	25.6	15.2
Grand Total		170	307	560	823	100.0	100.0	100.0	100.0

*The outlay on cultural programmes in Ist Plan was included under other programmes.

STATEMENT VIII (b)
(Rs. in Lakhs)

Total Plan Outlay and Plan Outlay on Education by State and Union Territory

State/Union Territory	Ist Plan			IInd Plan			IIIrd Plan			IV Plan			
	Total outlay	2	3	Total Outlay	Outlay on Education	Total Outlay	Gen. Edu.	Tech. Edu.	Total	Total Outlay	Outlay on Education		
											Gen. Edu.	Tech. Edu.	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	
1. Andhra Pradesh	6713	326 (4.85)	11897	760 (6.39)	30500	2,066 (6.77)	295 (0.977)	2,361 (7.74)	42,050	3,520 (8.37)	300 (0.71)	3,820 (9.1)	
2. Assam	2,167	101 (4.66)	5794	713 (12.30)	12,000	1,369 (11.41)	305 (2.54)	1,674 (13.95)	26,175	2,326 (8.98)	301 (0.11)	2,627 (10.0)	
3. Bihar	6,867	593 (8.61)	19,422	2,375 (12.23)	33,704	3,403 (10.10)	504 (1.40)	3,907 (11.59)	53,128	3,838 (7.22)	310 (0.58)	4,148 (7.8)	
4. Gujarat					23,500	1,415 (6.02)	307 (1.31)	1,722 (7.33)	45,500	2,644 (5.81)	256 (0.56)	2,900 (6.4)	
5. Haryana						*	*		22,500	1,303 (5.79)	155 (0.69)	1,458 (6.5)	
6. Jammu & Kashmir	1,274	66 (5.81)	3,392	285 (8.41)	7,500	398 (5.31)	100 (1.33)	498 (6.64)	15,840	704 (4.44)	90 (0.57)	795 (5.0)	
7. Kerala					17,000	1,469 (8.64)	378 (2.22)	1,847 (10.86)	25,840	1,700 (6.58)	225 (0.87)	1,925 (7.4)	
8. Madhya Pradesh	4818	1,062 (22.04)	12,370	1,608 (13.00)	30,000	2,712 (9.04)	483 (1.61)	3,195 (10.65)	38,300	1,850 (4.83)	300 (0.78)	2,150 (5.6)	

	1	2	3	4	5	6	7	8	9	10	11	12	13
9. †Maharashtra	15,986	4,682 (28.98)	26,625	1,175 (4.41)	39,000	2,394 (6.14)	715 (1.84)	3,109 (7.97)	89,812	5,522 (6.15)	950 (0.11)	6,472 (7.2)	
10. Mysore	4968	251 (5.06)	8,061	715 (8.87)	25,000	1,620 (6.48)	436 (1.74)	2,056 (8.22)	35,000	1,300 (3.71)	200 (0.57)	1,500 (4.3)	
11. Nagaland					715	105 (14.68)		105 (14.68)	4,000	493 (12.33)	45 (1.13)	538 (13.5)	
12. Orissa	2,123	172 (8.11)	9,997	618 (6.18)	16,000	1,514 (9.46)	215 (1.34)	1,729 (10.81)	22,260	1,465 (6.58)	116 (0.52)	1,581 (7.1)	
13. Punjab	3,445	168 (4.87)	12,635	1,187 (9.40)	23,139	1,796 (7.76)	709 (30.6)	2,505 (10.82)	29,356	2,100 (7.15)	85 (0.29)	2,185 (7.4)	
14. Rajasthan	2,547	274 (10.74)	9,740	900 (9.24)	23,600	1,778 (7.53)	332 (1.41)	2,110 (8.94)	30,200	1,726 (5.72)	34 (0.11)	1,760 (5.0)	
15. Tamil Nadu	9,020	494 (5.47)	17,306	1,425 (8.23)	29,088	2,564 (8.81)	652 (2.24)	3,216 (11.06)	51,936	5,040 (9.70)	503 (0.97)	5,543 (10.7)	
16. Uttar-Pradesh	12,984	1,783 (13.74)	25,310	2,654 (10.49)	49,700	5,041 (10.14)	937 (1.89)	5,978 (12.03)	96,500	5,895 (6.11)	1,048 (1.09)	6,943 (7.2)	
17. West Bengal	7,645	1,133 (14.82)	15,367	2,130 (13.86)	25,000	2,367 (9.47)	618 (2.47)	2,985 (11.94)	32,250	3,275 (10.16)	370 (1.15)	3,645 (11.3)	
18. Andaman & Nicobar Islands	383		592	27 (4.62)	979	57 (5.82)	..	57 (5.82)	1,400	105 (7.5)	..	105 (7.5)	
19. Chandigarh						*	*	*	775	50 (6.45)	30 (3.87)	80 (10.3)	
20. Dadra & Nagar Haveli†									230	23 (10.0)	..	23 (10.0)	
21. Delhi	679	338 (49.85)	1,697	380 (2.24)	8,175	1,144 (13.99)	114 (1.40)	1,258 (15.39)	16,265	2,309 14.20	251 1.54	2,560 15.7	

* Separate outlay for General and Technical education not available.

† Figures for 1st two plans relate to composite Bombay State.

Note:— Figures in Brackets are percentages to total outlay.

22. Goa, Daman & Diu†	570	50 (8.77)	1,473	114 (7.74)	2,793	205 (7.34)	18 (0.64)	223 (7.98)	3,950	310 (7.85)	84 2.13	394 9.97
23. Himachal Pradesh									10,140	661 (6.52)	50 (0.49)	711 (7.0)
24. L.M.&A Islands†					97	19 (19.59)	..	19 (19.59)	200	36 (18.0)	..	36 (18.0)
25. Manipur	155	18 (11.43)	625	57 (9.12)	288	110 (8.54)	..	110	3,025	389 (12.86)	20 (0.66)	409 (13.5)
26. NEFA	421	61 (14.62)	950	130 (13.67)	715	82 (11.47)	..	82 (11.47)	1,799	205 (11.5)	..	205 (11.4)
27. Pondicherry	73	5 (7.84)	477	59 (12.32)	693	142 (20.49)	25 (3.61)	167 (24.10)	1,250	217 (17.36)	20 (1.60)	237 (19.0)
28. Tripura	227	31 (13.45)	847	124 (14.59)	1,632	240 (14.71)	16 (0.98)	256 (15.69)	3,466	321 (9.26)	95 (2.74)	416 (12.0)
@Other Territories	15,751	893 (5.67)	38,221	3,760 (9.84)								
Total States and Union Territories	98,819	12,451 (12.60)	2,24,088†	21,196 (9.46)	4,01,818	34,010 (8.46)	7,159 (1.78)	141,169 (10.25)	7,03,147	49,328 (7.02)	5,838 (0.83)	55,165 (7.85)
Central	1,39,951	4,551 (3.28)	2,55,912	95,000 (3.71)	4,07,635	7,790 (1.91)	7,041 (1.72)	14,831 (3.64)	8,87,069	20,401 (2.30)	6,699 (0.76)	27,100 (3.06)
GRAND TOTAL	2,37,767	17,002 (7.15)	4,80,000	30,696 (6.39)	8,09,453	41,800 (5.16)	14,200 (1.75)	56,000 (6.92)	15,90,216	69,729 (4.38)	12,537 (0.79)	82,266 (5.17)

* Includes Rs. 12.2 crores centres share of DVC and additional provision of Rs. 70.36 Lakhs for NFS and Community Projects.

† No separate figures are available as these territories were not in existence during that terms as separate areas.

‡ Separate figures of outlay for General and Technical Education not available.

@ Includes figures for Hyderabad, Madhya Bharat, Ajmer, Coorg, Kutch, Saurashtra. Vindhya Pradesh, PEPSU, Bhopal and Travancore-Cochin.

NOTE :—Figures in brackets are percentages to Total Outlay.

SOURCE :—Review of 1st Plan, 2nd Plan and 3rd Five Year Plan and 4th Five Year Plan.

PLAN EXPENDITURE

State/Union Territories	1st Plan*		2nd Plan*				Total plan Expenditure
	Total plan Expenditure	Plan Expenditure on Education	Total Plan Expenditure	Expenditure on Education			
				Genl. Edu.	Tech. Edu.	Total Edu.	
Total Edu.							
1	2	3	4	5	6	7	8
Andhra Pradesh	6,420.6	261.4 (4.07)	18,064.1	968 (5.36)	214 (1.8)	1,182 (6.5)	34,478
Assam	2,105.7	111.8 (5.31)	6,315	675 (10.69)	168 (2.66)	843 (13.3)	13,224
Bihar	7,326.3	763.4 (10.4)	17,687	1,697 (9.59)	194 (1.10)	1,891 (10.7)	33,174
Gujarat	£		14,683	NA	NA	1,078 (7.3)	23,768
Haryana	£	Included in Punjab					
Jammu & Kashmir	1,109.2	46.8 (4.2)	2,682	213 (7.94)	24 (0.89)	237 (8.8)	6,124
Kerala	£		7,900	NA	NA	1,119 (14.2)	18,159
Madhya Pradesh	4,25,611	899.5 (21.13)	14,550	1,230 (8.45)	229 (1.57)	1,459 (10.0)	28,835
Maharashtra	15,619.1	4,637.0 (29.69)	21,403	NA	NA	1,525 (7.1)	43,360
Mysore	4,313.4	151.9 (3.5)	13,872	978 (7.05)	203 (1.46)	1,181 (8.5)	25,069
Nagaland	£	..	378	47 (12.43)	..	47 (12.43)	1,079
Orissa	1,831.4	154.0 (8.4)	8,936	579 (6.48)	91 (1.02)	670 (7.5)	22,406
Punjab	3,179.4	161.1 (5.1)	15,143	827 (5.46)	190 (1.25)	1,017 (6.7)	25,423
Rajasthan	2,034.1	256.2 (12.6)	9,986	1,129 (11.31)	68 (0.68)	1,197 (12.0)	21,069 (18.12)
Tamil Nadu	8,563.1	402.0 (4.7)	18,619	1,141 (6.13)	232 (1.25)	1,373 (7.4)	34,233
Uttar Pradesh	10,545.2	1,807.1 (17.1)	22,832	1,429 (6.26)	326 (1.43)	1,755 (7.7)	56,025
West Bengal	7,455.1	1,142.7 (15.3)	15,584	2,658 (17.06)	313 (2.01)	2,971 (19.1)	30,049
Meghalaya	£						

ON EDUCATION

STATEMENT VIII (c)

(Rs. in Lakhs)

3rd Plan* Plan Expenditure on Edu.			Total Plan Expen- diture	4th Plan (1969-70 to 70-71) Plan Expenditure on Edu.			Percentage of Expenditure on Edu. to the Plan out- lay on Edu.		
Gen. Edu.	Tech. Edu.	Total Edu.		Gen. Edu.	Tech. Edu.	Total Edu.	Ist Plan	2nd Plan	3rd Plan
9	10	11	12	13	14	15	16	17	18
1,787 (5.18)	292 (0.85)	2,079 (6.0)	15,870	310 (1.95)	38 (0.24)	348 (2.19)	80.18	155.53	88.06
1,308 (9.89)	184 1.30	1,492 (11.3)	8,000	492 (6.15)	41 (0.51)	533 (6.66)	110.69	118.23	89.13
2,325 (7.01)	235 (0.71)	2,560 (7.7)	14,765	602 (4.08)	39 (0.26)	641 (4.34)	128.73	79.62	65.52
1,901 (8.00)	177 (0.74)	2,078 (8.7)	17,163	602 (3.51)	45 (0.26)	647 (3.77)	£	£	120.67
			10,244	421 (4.11)	64 (0.62)	485 (4.73)	£	£	£
498 (8.13)	58 (0.95)	556 (9.1)	5,020	212 (4.22)	27 (0.54)	239 (4.76)	70.90	83.15	111.65
1,746 (9.71)	393 (2.16)	2,157 (11.9)	10,198	879 (8.62)	59 (0.58)	938 (9.20)	£	£	116.78
2,313 (8.02)	422 (1.46)	2,735 (9.5)	12,839	307 (2.39)	97 (0.76)	404 (3.15)	84.70	90.73	100.85
4,303 (9.92)	320 (0.74)	4,623 (10.7)	30,583	1,143 (3.74)	137 (0.45)	1,280 (4.19)	100.11	129.79	148.70
1,295 (5.17)	252 (1.0)	1,547 (6.2)	13,556	434 (3.20)	76 (0.56)	510 (3.76)	60.52	165.18	75.24
130 (12.05)	..	130 (12.05)	1,281	122 (9.52)	6 (0.44)	128 (9.99)	£	£	123.81
1,448 (6.46)	317 (1.41)	1,765 (7.9)	8,113	270 (3.33)	27 (0.33)	297 (3.66)	89.54	108.14	102.08
1,924 (7.57)	515 (2.03)	2,439 (9.6)	12,561	378 (3.01)	17 (0.14)	395 (3.14)	95.89	85.68	97.37
1,812 (8.60)	198 (0.94)	2,010 (9.5)	11,345	431 (3.80)	10 (0.8)	441 (3.89)	93.50	133.00	95.26
3,139 (9.17)	693 (2.02)	3,832 (11.2)	18,327	1,018 (5.55)	155 (0.85)	1,173 (6.40)	81.38	96.35	119.15
4,542 (8.11)	743 (1.33)	5,285 (9.4)	36,377	1,200 (3.30)	283 (0.78)	1,483 (4.08)	101.35	66.13	88.41
4,707 (15.66)	555 (1.85)	5,262 (17.5)	9,922	716 (7.22)	70 (0.71)	786 (7.93)	100.85	139.48	176.28
			350	95 (27.14)	1 (0.28)	96 (27.42)			

1	2	3	4	5	6	7	8
Andaman & Nicobar	82.5	—	362	13	—	13 (3.6)	617
Chandigarh	£	—	£	—	—	—	956
Dadra & Nagar Haveli	£	—	£	NA	—	—	25
Delhi	585.0	338.5 (57.9)	1,142	402 (35.2)	—	402 (35.2)	9,309
Goa, Daman & Diu	£	—	£	NA	—	—	1,527
Himachal Pradesh	498.6	443.7 (8.8)	1,697	72 (4.24)	4 (9.23)	76 (4.5)	3,385
Laccadive M & A Islands	£	—	42	12 (28.5)	—	12 (28.5)	99
Manipur	108.2	15.4 (14.2)	622	65 (10.6)	—	65 (10.6)	1,282
NEFA	230.5	19.5 (8.5)	374	45 (12.0)	—	45 (12.0)	732
Pondicherry	50.3	15.3 (30.4)	366	26 (7.10)	(1.64)	32 (8.7)	601
Tripura	161.8	28.7 (17.4)	941	103 (11.05)	22 (2.34)	125 (13.3)	1,551
Other Territories	13,293.0	888.8 (6.58)	—	—	—	—	—
Total States & U.T.	89,769.1	12,136.8 (13.5)	2,14,178	17,780 (8.30)	2,535 (1.18)	20,315 (9.49)	4,36,559
Central	11,493.9	3,160.0 (2.8)	2,53,822	5,630 (1.82)	2,360 (0.93)	6,900 (2.75)	4,20,691
Grand Total	2,01,263.0	15,296.1 (7.6)	4,68,000	22,410 (0.48)	4,890 (0.11)	27,305 (0.58)	8,57,250

*SOURCE: 1. Review of the 1st Five Year Plan and Planning Commission. 2. 3rd Five Year Plan. 3. Selected Educational and Statistical at a Glance.

NOTE :— Figures in Brackets are percentages to total Expenditure.

@Total Central Expenditure not available.

£No separate figures are available as these States were not in existence during that period.

N.A. Separate expenditure for General and Technical Education not available.

9	10	11	12	13	14	15	16	17	18
58 (9.4)	—	58 (9.4)	471	64 (1.36)	—	64 (1.36)	£	48.15	101.75
104 (10.9)	—	104 (10.9)	221	17 (7.69)	15 (6.79)	32 (14.48)	£	£	£
8 (32.0)	—	8 (32.0)	88	10 (11.36)	—	10 (11.36)	£	£	£
1,590 (17.08)	169 (1.81)	1,759 (18.9)	2,966	646 (2.18)	69 (0.23)	715 (2.41)	100.15	105.79	139.83
262 (17.16)	17 (1.13)	279 (18.3)	1,235	134 (1.09)	18 (0.13)	152 (1.23)	£	£	£
266 (7.86)	16 (0.47)	282 (8.3)	3,468	137 (3.95)	12 (0.35)	149 (4.30)	87.40	66.67	126.46
19 (8.6)	—	19 (8.6)	63	9 (14.30)	—	9 (14.30)	£	£	100.00
110 (18.7)	—	110 (18.7)	852	70 (8.21)	1 (0.0)	70 (8.21)	85.56	114.04	100.00
85 (19.2)	—	85 (19.2)	668	74 (11.08)	—	74 (11.08)	31.97	34.62	103.66
123 (20.47)	36 (5.99)	159 (26.5)	463	57 (12.31)	7 (1.51)	64 (13.82)	306.00	54.24	95.21
262 (16.89)	28 (1.81)	290 (18.7)	1,004	84 (8.37)	32 (3.19)	116 (11.55)	92.58	100.81	113.28
—	—	—	—	—	—	—	98.63	—	—
38,083 (8.72)	5,620 (1.29)	43,703 (10.01)	2,47,663	10,934 (4.41)	1,346 (0.54)	12,280 (4.96)	96.78	95.84	106.16
8,310 (1.98)	6,860 (1.63)	15,170 (3.61)	@	5,513	2,518	8,031	69.44	73.58	102.28
46,393 (0.54)	12,480 (0.15)	58,873 (0.69)	@	16,447	3,864	20,311	89.97	88.95	105.13

Explanatory Note to Statement VIII

OUTLAY AND EXPENDITURE ON EDUCATION (STATES & U.T.)

In the statements forwarded by the Education Group, the break up of figures State-wise in respect of elementary education, secondary education, university education etc. as desired in the prescribed *proforma* has not been given due to non-availability of such data. However, figures relating to these heads for all-India have been given. In regard to Third and Fourth Plans' figures for general and technical education and in respect of First and Second Plans' figures for education as a whole have been given.

From the statements, the following inferences may be drawn:—

Statement VIII(a)

(i) In elementary education, there has been decreasing trend from 54.7% in the First Plan to 28.6% in the Fourth Plan, of the total Education fund allocation. In University Education, the percentage allocation of the total allocation on Education, increased from 8.8% in the First Plan to 22.4% in the Fourth Plan indicating thereby that more attention has been given to the University Education. In contrast, in respect of Secondary Education, the percentage allocation was in the range of 13.0% to 16.6%

Statement VIII(b)

(ii) There has been decreasing trend in the percentage allocation on Education, from 12.60% in the First Plan to 7.85% in the Fourth Plan.

(iii) The following table shows the maximum and minimum percentage allocation in the States and the Union Territories during the four Plan periods:

	All-India combined	Minimum	Maximum
First Plan	12.60	(i) 4.66 (Assam) (ii) 7.84 (Pondicherry)	28.98 (Bombay) 49.85 (Delhi)
Second Plan	9.46	(i) 4.41 (Bombay) (ii) 2.24 (Delhi)	13.86 (West Bengal) 14.59 (Tripura)
Third Plan	10.25	(i) 6.64 (J & K) (ii) 7.98 (H.P)	13.95 (Assam) 24.10 (Pondicherry)
Fourth Plan	7.85	(i) 5.0 (J & K) (ii) 7.0 (H.P)	11.3 (West Bengal) 19.0 (Pondicherry)

- (a) The range difference in the percentage allocation on Education in the different States and Union Territories has been reduced (i) among States from $4.66=28.98=24.32$ in the First Plan to $5.0-11.3=6.3$ in the Fourth Plan and (ii) among the Union Territories from $7.84-49.85=42.01$ in First Plan to $7.0-19.0=12.0$ in the Fourth Plan i.e. all the States and the Union Territories among themselves have started giving equal importance to Education.
- (b) Among the States, the percentage allocation on Education was (i) maximum in Bombay (First Plan), West Bengal (Second and Fourth Plan) and Assam State (Third Plan) and (ii) minimum in Assam (First Plan, but it was maximum in the First Plan) and Jammu & Kashmir (Third and Fourth Plan).
- (c) Among the Union Territories, the percentage allocation was (i) maximum in Delhi (First Plan), Tripura (Second Plan) and Pondicherry (Third and Fourth Plans) and (ii) minimum in Pondicherry (First Plan, but it was maximum in the Third and Fourth Plans), Delhi (Second Plan, but it was maximum in the First Plan) and Himachal Pradesh (Third and Fourth Plans).

Statement VIII(c)

(iv) The percentage expenditure on Education of the total State expenditure (a) in the First and Second Plan was 13.5 and 9.49 respectively which is higher than the percentage allocation on education, and (b) in the Third and Fourth Plans (on the basis of two years) 10.01 and 4.94 respectively, which is less than the percentage allocation on education.

(v) During the Fourth Plan, percentage allocation on Technical Education was lower as compared with the Third Plan. The percentage allocation (a) on Technical Education during the Third and Fourth Plans was 1.78 and 0.83 respectively and (b) on General Education, it was 8.46 and 7.02 respectively.

(vi) No fund has been allocated for Technical Education in the States and the Union Territories of (a) Andaman and Nicobar Islands and Laccadive, Aminidive and Minicoy Islands, NEFA during the Third and Fourth Plans, (b) Nagaland and Manipur during the Third Plan and (c) Dadra and Nagar Haveli during the Fourth Plan.

Deficiencies in the Statements

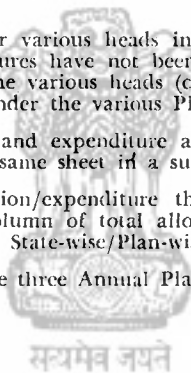
(i) Against other territories figures for First and Second Plans also include in respect of 10 States viz. Hyderabad, Madhya Bharat, Ajmer, Coorg, Kutch, Saurashtra, Vindhya Pradesh, PEPSU, Bhopal and Travancore Cochin, whereas figures for these should have been included either in the respective States (e.g. Hyderabad in Andhra Pradesh, Travancore-Cochin in Kerala and so on) or should have been separately with suitable remarks.

(ii) Plan wise figures under various heads in respect of all the States cannot be viewed at a glance, as the figures have not been shown either by taking the Plans horizontally (row-wise) under the various heads (column-wise) or by taking the various heads horizontally (row-wise) under the various Plans (column-wise) for each State.

(iii) Figures for allocation and expenditure are shown on separate sheets whereas these should have been in the same sheet in a suitable manner.

(iv) For percentage allocation/expenditure there should have been the separate columns and not under the column of total allocation/outlay. By doing this it will facilitate comparison of figures State-wise/Plan-wise etc.

(v) Figures in respect of the three Annual Plans have not been given.



Outlay and expenditure on Large and Medium Industries and on Village and Small Industries during Five Year Plans

STATEMENT IX

(Rs. in lakhs)

FIRST PLAN							
Sl. No.	States/Union Terr.	Total Outlay	Outlay on L & M industries	Outlay on V & S industries	Total Expd.	Expd. on L & M industries	Expd. on V & S industries
1	2	3	4	5	6	7	8
I. States							
1.	Andhra Pradesh	11,115	889 (7.9)	44 (0.3)	9,870	221 (2.3)	32 (0.3)
2.	Assam	2,167	—	11 (0.5)	206	—	488
3.	Bihar	6,867	79 (2.6)	47 (0.6)	7,326	58 (0.8)	46 (0.6)
4.	Gujarat	3,049	1 (0.03)	18 (0.5)	2,922	1 (0.03)	15 (0.5)
5.	Himachal Pradesh						
6.	Haryana						
7.	Jammu & Kashmir	1274	92 (7.2)		1,110	73 (6.5)	489 (44.0)
8.	Kerala	3,128	23 (0.7)	89 (2.8)	2,611	26 (1.0)	33 (1.2)
9.	Madhya Pradesh	7,633	311 (4.0)	157 (2.0)	6,857	335 (4.8)	92 (1.3)
10.	Maharashtra	16,721	251 (1.5)	109 (0.6)	16,180	45 (0.8)	74 (0.4)
11.	Meghalaya						
12.	Mysore	5,092	98 (1.9)	159 (0.3)	4,412	55 (1.2)	86 (1.9)
13.	Nagaland						
14.	Orissa	2,123	94 (4.4)	32 (1.5)	1,831	82 (4.4)	27 (1.4)
15.	Punjab	3,552	37 (1.0)	50 (1.4)	4,173	37 (0.8)	29 (0.6)
16.	Rajasthan	2,729	—	75 (2.7)	2,192	—	32 (1.4)
17.	Tamil Nadu	9,021	128 (1.4)	44 (0.4)	8,563	113 (1.3)	59 (0.6)
18.	Uttar Pradesh	12,984	325 (2.5)	309 (2.3)	10,545	345 (3.2)	289 (2.7)
19.	West Bengal	7,645	82 (1.0)	33 (0.4)	7,455	53 (0.7)	67 (0.8)
I. TOTAL STATES							
II. TOTAL UNION TERRITORIES							
III.	TOTAL STATES & UNION TERR.	98,817	1,741 (1.7)	1,203 (1.2)	89,769	1,348 (1.5)	1,007 (1.1)

*Represents figures included under Village and Small Industry.

STATEMENT IX (Contd.)
(Rs. in lakhs)

Sl. No.	States/Union Ter.	SECOND PLAN					
		Total outlay	Outlay on L & M industries	Outlay on V & S industries	Total Expd.	Expd. on L & M industries	Expd. on V & S industries
1	2	9	10	11	12	13	14
I. States							
1.	Andhra Pradesh	11,897	270 (2.2)	681 (5.7)	18,064	167 (0.92)	863 (4.77)
2.	Assam	5,794	133 (2.2)	380 (6.5)	6,315	160 (2.53)	506 (4.84)
3.	Bihar	19,422	140 (0.7)	1,140 (5.8)	17,867	213 (1.2)	684 (3.9)
4.	Gujarat	5,559	*	248 (4.4)	33,704	*	485 (3.3)
5.	Himachal Pradesh						
6.	Haryana						
7.	Jammu & Kashmir	3,392	54 (1.5)	287 (8.4)	2,682	115 (4.3)	114 (4.3)
8.	Kerala	7,195	42 (0.5)	570 (7.9)	7,900	118 (1.5)	548 (5.4)
9.	Madhya Pradesh	13,802	18 (0.1)	675 (4.8)	14,550	25 (0.02)	362 (2.5)
10.	Maharashtra	29,115	97 (0.3)	959 (3.2)	21,403	*	498 (2.3)
11.	Meghalaya						
12.	Mysore	8,437	246 (2.9)	446 (5.2)	13,872	132 (1.0)	512 (3.7)
13.	Nagaland						
14.	Orissa	9,997	48 (0.5)	629 (6.2)	8,936	35 (0.4)	353 (4.0)
15.	Punjab	12,635	140 (1.1)	573 (4.5)	15,143	55 (0.4)	412 (2.7)
16.	Rajasthan	9,527	35 (0.3)	550 (5.7)	9,986	15 (0.2)	296 (3.0)
17.	Tamil Nadu	17,306	95 (0.5)	1,425 (8.2)	18,619	114 (0.6)	1,272 (6.8)
18.	Uttar Pradesh	25,310	496 (1.9)	1,144 (4.5)	22,832	324 (1.4)	919 (4.02)
19.	West Bengal	15,367	190 (1.2)	758 (4.9)	15,584	2,310 (14.8)	592 (3.8)
I. TOTAL STATES					2,08,256	3,783 (1.8)	8,098 (3.8)
II. TOTAL UNION TERRITORIES					5,924	2 (0.3)	293 (5.0)
III. TOTAL STATES & UNION TERR.		2,24,088	2,109 (0.9)	11,968 (5.3)	2,14,180	3,785 (1.7)	8,391 (3.9)

STATEMENT IX (Contd.)

(Rs. in lakhs)

Sl. No.	States/Union Ter.	THIRD PLAN					
		Total outlay	Outlay on L&M industries	Outlay on V&S industries	Total Expd.	Expd. on L&M industries	Expd. on V&S industries
1	2	15	16	17	18	19	20
<i>I. States</i>							
1.	Andhra Pradesh .	30,500	600 (2.0)	1,267 (4.2)	34,478	583 (1.6)	844 (2.4)
2.	Assam . .	12,000	535 (4.4)	440 (4.0)	13,224	412 (3.1)	346 (2.6)
3.	Bihar . .	33,704	280 (0.8)	1,105 (3.3)	33,174	416 (1.2)	551 (1.6)
4.	Gujarat . .	23,500	518 (1.4)	373 (1.6)	23,768	721 (3.0)	233 (0.9)
5.	Himachal Pradesh			82	3,384	11 (0.3)	73 (2.1)
6.	Haryana . .						
7.	Jammu & Kashmir	7,500	353 (4.7)	400 (5.3)	6,124	416 (6.7)	180 (2.9)
8.	Kerala . .	17,000	920 (5.4)	800 (4.7)	18,159	783 (4.3)	629 (3.4)
9.	Madhya Pradesh	30,000	191 (0.6)	829 (2.8)	28,835	222 (0.7)	537 (1.8)
10.	Maharashtra .	39,000	695 (1.8)	810 (2.1)	43,360	927 (2.1)	528 (1.2)
11.	Meghalaya .		665	803			
12.	Mysore . .	25,000	689 (2.8)	775 (3.1)	25,069	867 (3.4)	388 (1.5)
13.	Nagaland . .		—	15	1,079	—	12 (1.1)
14.	Orissa . .	16,000	35 (Neg)	510 (3.2)	22,406	1,216 (5.4)	432 (1.9)
15.	Punjab . .	2,339	322 (1.4)	1,108 (4.8)	25,423	121 (0.4)	890 (3.5)
16.	Rajasthan . .	23,600	30 (Neg)	500 (2.1)	21,069	47 (0.2)	149 (0.7)
17.	Tamil Nadu .	29,088	310 (1.1)	2,016 (6.4)	34,233	145 (0.4)	2,252 (6.5)
18.	Uttar Pradesh .	49,700	368 (0.7)	1,775 (3.6)	56,025	714 (1.2)	1,305 (0.2)
19.	West Bengal .	25,000	1,204 (4.8)	957 (4.0)	30,049	175 (0.5)	521 (1.7)
I. TOTAL STATES .		3,84,731	6,850 (1.8)	13,703 (3.6)	4,16,475	9,331 (2.2)	19,887 (2.4)
II. TOTAL UNION TERRITORIES.		1,708	32 (1.9)	425 (24.9)	20,084	42 (0.2)	432 (2.2)
III. TOTAL STATES & UNION TERR.		3,86,439	6,882 (1.8)	14,128 (6.5)	4,36,559	9,373 (2.1)	10,319 (2.4)

STATEMENT IX (Concl'd.)
(Rs. in lakhs)

FOURTH PLAN				
Sl. No.	States/Union Ter.	Total outlay	Outlay on L&M industries	Outlay V&S industries
1	2	21	22	23
<i>I. States</i>				
1.	Andhra Pradesh	42,050	750 (1.8)	850 (2.02)
2.	Assam	26,175	1,308 (5.0)	704 (2.7)
3.	Bihar	53,128	700 (1.3)	700 (1.3)
4.	Gujarat	45,500	1,102 (2.4)	298 (0.7)
5.	Himachal Pradesh		200	200
6.	Haryana	22,500	400 (1.7)	500 (2.2)
7.	Jammu & Kashmir	15,840	391 (2.5)	385 (2.5)
8.	Kerala	25,840	1,025 (4.0)	1,043 (4.0)
9.	Madhya Pradesh	39,300	507 (1.3)	537 (1.4)
10.	Maharashtra	89,812	1,200 (1.3)	750 (0.8)
11.	Meghalaya		103	125
12.	Mysore	35,000	900 (2.6)	500 (1.4)
13.	Nagaland	4,000	365 (9.1)	66 (1.6)
14.	Orissa	22,260	985 (4.4)	322 (1.4)
15.	Punjab	29,356	750 (2.6)	850 (2.9)
16.	Rajasthan	30,200	200 (0.7)	87 (0.3)
17.	Tamil Nadu	51,936	1,400 (2.7)	2,500 (4.8)
18.	Uttar Pradesh	96,500	2,372 (2.5)	2,010 (2.1)
19.	West Bengal	32,250	927 (2.9)	614 (2.0)
I. TOTAL STATES		6,61,647	15,290 (2.3)	12,716 (1.9)
II. TOTAL UNION TERRITORIES		22,500	380 (1.6)	841 (3.7)
III. TOTAL STATES & UNION TERR.		6,84,147	15,670 (2.3)	13,557 (2.0)

Explanatory note to Statement IX.

OUTLAY AND EXPENDITURE ON (I) LARGE AND MEDIUM INDUSTRIES AND (II) VILLAGE AND SMALL INDUSTRIES

From the Statement, the following inferences may be drawn:—

I. Large and Medium Industries

(i) The percentage allocation on the scheme was steeply reduced from 1.7 in the First Plan to 0.9 in the Second Plan but subsequently, it was increased to 1.8 and 2.3 in the Third and Fourth Plans respectively.

(ii) As compared with the percentage allocation under this head the percentage expenditure to the total State expenditure was higher in the Second (1.7) and Third (2.1) Plans but it was slightly less in the First Plan (1.5).

(iii) The following table indicates the maximum and minimum percentage allocation under this head in the four Plans.

	All-India (Combined)	Minimum	Maximum
First Plan	1.7	0.7 (Kerala)	7.9 (A.P.)
Second Plan	0.9	0.1 (M.P.)	2.9 (Mysore)
Third Plan	1.8	0.1 (Rajasthan)	5.4 (Kerala)
Fourth Plan	2.3	0.7 (Rajasthan)	9.1 (Nagaland)

It will be seen that (i) the maximum percentage allocation under the head was in Andhra Pradesh (First Plan), Mysore (Second Plan), Kerala (Third Plan) and Nagaland (Fourth Plan) and (ii) the minimum percentage allocation was in Rajasthan (Third and Fourth Plans), Madhya Pradesh (Second Plan) and Kerala (First Plan). But, on an average, the minimum percentage allocation on the scheme during all the Plans was in Rajasthan. Secondly, no fund was allocated in Assam and Rajasthan in the First Plan.

II. Village and Small Scale Industries

(i) There has been increasing trend in the percentage allocation under this head from 1.2 in First Plan to 6.5 in the Third Plan but subsequently, it was reduced to 2.0 in the Fourth Plan.

(ii) As compared to the percentage allocation under this head the percentage expenditure to the total State expenditure was less in all the three Plans.

(iii) The following table shows the maximum and minimum percentage allocation in the Four Plans.

	All-India (Combined)	Minimum	Maximum
First Plan	1.2	0.3 (A.P. and Mysore)	2.8 (Kerala)
Second Plan	5.3	3.2 (Maharashtra)	8.4 (Jammu and Kashmir)
Third Plan	6.5	1.6 (Gujarat)	6.4 (Tamil Nadu)
Fourth Plan	2.0	0.3 (Rajasthan)	4.8 (Tamil Nadu)

It will be seen that (i) the percentage allocation was maximum in Kerala (First Plan), Jammu and Kashmir (Second Plan) and Tamil Nadu (Third and Fourth Plans) and (ii) the percentage allocation was minimum in the States of Andhra Pradesh and Mysore (First Plan), Maharashtra (Second Plan), Gujarat (Third Plan) and Rajasthan (Fourth Plan).

सत्यमेव जयते

- (i) Break-up data of outlay and expenditure in respect of individual Union Territories have not been given.
- (ii) No remarks have been given regarding the inclusion of figures in respect of ten States viz. Hyderabad, Madhya Bharat, Bhopal, Vindhya Pradesh, Saurashtra, Kutch, Travancore-Cochin, Coorg, PEPSU and Ajmer, in the first two Plans e.g. Hyderabad in Andhra Pradesh.
- (iii) Outlay and expenditure data on Industry as a whole viz. total of Large and Medium industries and Village and Small Industries, have not been given. Therefore, the trend of outlay and expenditure data cannot be judged for industry as a whole.
- (iv) Expenditure data in respect of Fourth Plan (for two years—1969-70 and 1970-71) have not been given.
- (v) Outlay/allocation and expenditure data in respect of three annual Plans viz. 1966-67, 1967-68 and 1968-69 have not been given.
- (vi) Plan-wise figures under various heads in respect of all the States (including all-India) cannot be viewed at a glance, as the figures have not been shown in a proper manner either by taking the Plans horizontally (row-wise) under the various heads (column-wise) or by taking the various heads horizontally (row-wise) under the various Plans (column-wise) for each State.
- (vii) Figures of percentage allocation and expenditure have not been shown in separate columns, which would have facilitated in comparing the figures State-wise and Plan-wise.

STATEMENT X

Statement showing Statewise Plan outlays, Expenditure and Percentage in respect of Major Irrigation, Minor Irrigation, Agriculture Production and Community Development & Panchayats

(Rs. in lakhs)

State	Plan	Total State Plan outlay	Total State Expenditure
1	2	3	4
Andhra Pradesh	1st	6,713	6,421
	2nd	11,897	18,064
	3rd	30,500	34,478
	4th	42,050	..
Assam	1st	2,167	2,106
	2nd	5,794	6,315
	3rd	12,000	13,224
	4th	26,175	..
Bihar	1st	6,867	7,326
	2nd	19,422	17,687
	3rd	33,704	33,174
	4th	53,128	..
Gujarat	1st	..	..
	2nd	..	14,683
	3rd	23,500	23,768
	4th	45,500	..
Haryana	1st	..	..
	2nd	..	..
	3rd	..	..
	4th	22,500	..
Himachal Pradesh	1st	570	499
	2nd	1,473	1,697
	3rd	2,793	3,385
	4th	10,140	..
Jammu & Kashmir	1st	1,274	1,110
	2nd	3,392	2,682
	3rd	7,500	6,124
	4th	15,840	..
Kerala	1st	..	..
	2nd	..	7,900
	3rd	17,000	18,159
	4th	25,840	..
Madhya Pradesh	1st	4,818	4,256
	2nd	12,370	14,550
	3rd	30,000	28,835
	4th	39,300	..
Maharashtra	1st	15,986	15,619
	2nd	26,625	21,403
	3rd	29,000	43,360
	4th	89,812	..

STATEMENT X (Contd.)

State	Major irrigation				
	Outlay on the Scheme	Expenditure on the scheme	Percentage to total outlay	Percentage expenditure to total outlay	Percentage expenditure to total expenditure
1	5	6	7	8	9
Andhra Pradesh	1,744 3,231 7,380 7,600	1,471 5,816 9,270 ..	25.9 27.1 24.1 18.3	21.9 40.9 30.4 ..	22.9 32.2 26.8 ..
Assam	337 64 228 617	351 97 142 ..	15.5 1.1 1.9 2.3	16.2 1.7 1.2 ..	16.6 1.5 1.1 ..
Bihar	1,215 3,353 6,157 11,100	1,252 2,582 6,812 ..	17.7 17.2 18.2 20.8	18.2 13.3 20.2 ..	17.1 14.5 20.5 ..
Gujarat	.. .. 5,124 10,300	.. 3,536 4,580 ..	.. .. 21.8 22.6	.. .. 19.5 ..	.. 24.1 19.2 ..
Haryana	.. .. .. 2,990	.. .. .. ..	.. .. .. 13.2	........	........
Himachal Pradesh	57	39	10.0	6.8	7.8
Jammu & Kashmir	269 283 600 566	218 93 157 ..	21.1 8.3 8.0 3.5	17.1 2.7 2.1 ..	19.6 3.4 2.5 ..
Kerala	.. .. 1,142 2,675	.. 834 1,025 ..	.. .. 6.7 10.3	.. .. 6.0 ..	.. 10.5 5.6 ..
Madhya Pradesh	334 1,187 4,160 8,306	262 2,852 3,832 ..	7.1 9.6 13.8 21.1	5.4 23.1 12.7 ..	6.1 19.6 13.2 ..
Maharashtra	2,856 6,790 6,604 14,225	2,425 3,097 6,507 ..	17.8 25.5 16.9 15.8	15.1 11.6 16.6 ..	15.5 14.5 15.0 ..

STATEMENT X (Contd.)

State	Minor Irrigation				
	Outlay on the Scheme	Expenditure on the Scheme	Percentage to total outlay	Percentage Expenditure to total outlay	Percentage Expenditure to total Expenditure
1	10	11	12	13	14
Andhra Pradesh	243 1,826 3,000	710 2,919 ..	2.0 5.9 7.1	5.9 9.6 ..	3.9 8.4 ..
Assam	194 390 1,515	191 410 ..	3.3 3.2 5.8	3.3 3.4 ..	3.0 3.1 ..
Bihar	413 839 5,400	827 1,268 ..	2.1 2.4 10.1	4.2 3.7 ..	4.7 3.9 ..
Gujarat	.. 1,500 3,022	880 1,344 ..	.. 6.3 6.6	.. 5.7 ..	5.9 5.6 ..
Haryana	.. .. 963	.. .. ..	.. .. 4.2	......	......
Himachal Pradesh	47 75 255	68 44 ..	3.2 2.6 2.5	4.6 1.6 ..	4.0 1.2 ..
Jammu & Kashmir	213 125 764	99 105 ..	2.3 1.6 4.8	2.9 1.4 ..	3.6 1.7 ..
Kerala	.. 572 1,000	170 559 ..	.. 3.3 3.8	.. 3.3 ..	2.1 3.1 ..
Madhya Pradesh	439 1,500 3,790	849 2,114 ..	3.5 5.0 9.6	6.8 7.0 ..	5.9 7.3 ..
Maharashtra	582 1,579 7,000	998 2,423 ..	2.2 4.1 7.5	3.7 6.2 ..	4.7 5.5 ..

STATEMENT X—Contd.

State	Agricultural Production				
	Outlay on the Scheme	Expenditure on the Scheme	Percentage to total outlay	Percentage Expenditure to total outlay	Percentage Expenditure to total Expenditure
1	15	16	17	18	19
Andhra Pradesh	605 392 1,246 1,000	607 546 972 ..	9.0 3.2 4.1 2.4	9.0 4.6 3.2 ..	9.4 3.2 2.8 ..
Assam	323 204 507 1,814	296 235 481 ..	14.9 3.5 4.2 6.9	13.6 4.1 4.0 ..	14.1 3.7 3.6 ..
Bihar	1,181 821 1,936 2,110	1,205 1,343 1,536 ..	17.1 4.2 5.7 3.9	17.5 6.9 4.5 ..	16.4 7.5 4.6 ..
Gujarat . . . . .	.. .. 798 1,390	.. 424 594 ..	.. .. 3.3 2.9	.. .. 2.5 ..	.. 2.8 2.4 ..
Haryana . . . . .	.. .. .. 1,100	.. .. .. ..	.. .. .. 4.8	........	........
Himachal Pradesh	34 74 199 1,145	29 82 274 ..	5.9 4.8 7.1 11.3	5.1 5.6 9.8 ..	5.8 4.8 8.1 ..
Jammu & Kashmir	20 89 350 1,116	15 46 165 ..	1.5 2.6 4.6 7.0	1.2 1.3 2.2 ..	1.3 1.7 2.6 ..
Kerala . . . . .	.. .. 1,400 1,700	.. 464 1,069 ..	.. .. 8.2 6.5	.. .. 6.3 ..	.. 5.9 5.8 ..
Madhya Pradesh	996 515 1,400 1,388	935 729 1,244 ..	20.6 4.2 4.6 3.5	19.4 5.9 4.1 ..	21.9 5.0 4.3 ..
Maharashtra	1,748 386 1,489 4,500	1,775 832 2,056 ..	10.9 1.4 3.8 5.0	11.1 3.1 5.3 ..	11.3 3.9 4.7 ..

State	Community Development and Panchayats				
	Outlay on the Scheme	Expenditure on the Scheme	Percentage to total Outlay	Percentage Expenditure to total Outlay	Percentage Expenditure to total Expenditure
1	20	21	22	23	24
Andhra Pradesh	46 1,045 2,850 600	44 1,597 2,501 ..	0.6 8.8 9.3 1.4	0.6 13.4 8.2 ..	0.7 8.8 7.2 ..
Assam	98 618 975 473	103 676 880 ..	4.5 10.6 8.1 1.8	4.7 11.6 7.3 ..	4.8 10.6 6.6 ..
Bihar	125 1,805 3,592 1,260	123 2,224 2,667 ..	1.8 9.2 10.6 2.3	1.8 11.5 7.9 ..	1.6 12.6 8.0 ..
Gujarat	.. .. 1,481 501	.. 1,563 991 ..	.. .. 6.3 1.1	.. .. 4.2 ..	.. 10.6 4.1 ..
Haryana	.. .. .. 220	.. .. .. ..	.. .. .. 1.0	........	........
Himachal Pradesh	4 119 182 250	0.4 222 306 ..	0.7 8.1 6.5 2.5	0.07 15.1 10.9 ..	0.08 13.1 9.0 ..
Jammu & Kashmir	.. 197 444 135	.. 345 373 ..	.. 5.8 5.7 0.8	.. 10.1 4.9 ..	.. 12.8 6.1 ..
Kerala	.. .. 877 500	.. 456 918 ..	.. .. 5.1 1.9	.. .. 5.4 ..	.. 5.7 5.1 ..
Madhya Pradesh	124 1,564 2,540 675	90 1,756 1,875 ..	2.5 12.6 8.4 1.7	1.8 14.1 6.2 ..	2.1 12.1 6.5 ..
Maharashtra	131 2,948 2,627 800	76 2,432 3,293 ..	0.8 11.0 6.4 1.0	0.4 9.1 8.4 ..	0.4 11.4 7.5 ..

1	2	3	4
Manipur	1st 2nd 3rd 4th	155 625 1,288 3,025	108 622 1,282 ..
Mysore	1st 2nd 3rd 4th	4,968 8,061 25,000 35,000	4,313 13,872 25,069 ..
Nagaland	1st 2nd 3rd 4th	.. .. 715 4,000	.. .. 1,079 ..
Orissa	1st 2nd 3rd 4th	2,123 9,997 16,000 22,260	1,831 8,936 22,406 ..
Punjab	1st 2nd 3rd 4th	3,445 12,635 23,139 29,356	3,179 15,143 25,423 ..
Rajasthan	1st 2nd 3rd 4th	2,547 9,740 23,600 30,200	2,034 9,986 21,069 ..
Tamil Nadu	1st 2nd 3rd 4th	9,020 17,306 29,088 51,936	8,563 18,619 34,233 ..
Tripura	1st 2nd 3rd 4th	227 847 1,632 3,466	162 941 1,551 ..
Uttar Pradesh	1st 2nd 3rd 4th	12,984 25,310 49,700 96,500	10,545 22,832 56,025 ..
West Bengal	1st 2nd 3rd 4th	7,645 15,367 25,000 32,250	7,455 15,584 30,049 ..
ALL STATES	1st 2nd 3rd 4th	98,816 2,24,088 3,84,731 6,61,647	89,769 2,08,256 4,16,474 ..
UNION TERRITORIES	1st 2nd 3rd 4th	.. 2,019 17,087 32,360	.. 5,924 20,084 ..

1	5	6	7	8	9
Manipur . . . . .	.. 10 .. ..	.. .. 11 ..	.. 1.8 .. ..	.. .. 0.8 ..	.. .. 0.8 ..
Mysore	1,486 1,654 4,066 7,525	1,819 2,800 3,071 ..	29.9 20.5 16.2 21.5	36.6 34.7 12.2 ..	42.1 20.1 12.2 ..
Nagaland . . . . .	........	........	........	........	........
Orissa	300 2,654 2,141 2,500	255 2,805 2,613 ..	14.1 26.5 13.3 11.2	12.0 28.0 16.3 ..	13.9 31.3 11.6 ..
Punjab	438 2,994 2,204 1,588	372 3,952 2,160 ..	12.7 23.6 9.5 5.4	10.8 31.2 9.3 ..	11.7 26.1 8.4 ..
Rajasthan	693 2,450 8,510 8,873	595 2,268 7,137 ..	27.2 25.1 36.0 29.3	23.3 23.3 30.2 ..	29.2 22.7 33.8 ..
Tamil Nadu	2,018 1,365 2,742 3,560	2,060 1,693 3,086 ..	22.3 7.7 9.4 6.8	22.9 9.7 10.6 ..	24.1 9.1 9.0 ..
Tripura . . . . .	.. .. ..	.. 17 ..	.. .. ..	.. 1.0 ..	.. 1.1 ..
Uttar Pradesh	3,402 2,580 5,171 9,000	2,841 2,435 5,682 ..	26.2 10.2 10.4 9.3	21.9 9.6 11.4 ..	26.9 70.6 10.1 ..
West Bengal	1,489 1,771 1,892 1,900	1,420 2,033 1,261 ..	19.4 11.5 7.5 5.9	18.6 13.2 5.0 ..	19.0 13.0 4.1 ..
ALL STATES	21,294 38,097 58,121 94,225	19,126 36,893 57,335 ..	21.5 17.0 15.1 14.2	19.3 16.5 14.9 ..	21.3 17.7 13.7 ..
UNION TERRITORIES . . . . .	.. 22 10 370	.. 21 314 ..	.. 1.2 0.05 1.1	.. 1.0 1.8 ..	.. 0.3 1.5 ..

1	10	11	12	13	14
Manipur . . . . .	.. .. 13 28	.. 5 7 ..	.. .. 1.0 0.9	.. .. 0.5 ..	.. 0.8 0.5 ..
Mysore . . . . .	.. 157 1,600 3,200	.. 1,027 3,705 ..	.. 1.9 6.4 9.2	.. 12.7 14.7 ..	.. 7.4 14.7 ..
Nagaland . . . . .	.. .. 7 85	.. .. .. ..	.. .. 0.9 2.1	........	........
Orissa . . . . .	.. 90 304 1,250	.. 165 622 ..	.. 0.9 1.9 5.6	.. 1.6 3.8 ..	.. 1.8 2.7 ..
Punjab . . . . .	.. 299 752 2,320	.. 487 808 ..	.. 2.4 3.2 7.9	.. 3.8 3.4 ..	.. 3.2 3.1 ..
Rajasthan . . . . .	.. 230 670 1,300	.. 394 1,127 ..	.. 2.3 2.8 4.3	.. 4.0 4.7 ..	.. 3.9 5.3 ..
Tamil Nadu . . . . .	.. 404 1,280 3,270	.. 632 2,298 ..	.. 2.3 4.4 6.2	.. 3.6 7.9 ..	.. 3.3 6.7 ..
Tripura . . . . .	.. 5 35 65	.. 6 19 ..	.. 0.6 2.1 1.8	.. 0.7 1.2 ..	.. 0.6 1.2 ..
Uttar Pradesh . . . . .	.. 1,135 3,300 9,600	.. 1,634 5,770 ..	.. 4.4 6.6 9.9	.. 6.4 11.6 ..	.. 7.1 10.0 ..
West Bengal . . . . .	.. 285 1,032 3,034	.. 204 1,299 ..	.. 1.8 4.1 9.4	.. 1.3 5.1 ..	.. 1.3 4.3 ..
ALL STATES . . . . .	.. 6,318 17,269 50,513	.. 9,267 26,770 ..	.. 2.8 4.4 7.6	.. 4.1 6.9 ..	.. 4.4 6.4 ..
UNION TERRITORIES . . . . .	.. 37 177 399	.. 97 132 ..	.. 1.8 1.0 1.2	.. 4.8 0.7 ..	.. 1.6 0.6 ..

1	15	16	17	18	19
Manipur	1 11 29 20	1 .. 31 ..	0.6 1.8 2.2 0.6	0.6 .. 2.4 ..	0.9 .. 2.4 ..
Mysore	461 421 1,304 2,400	398 434 1,072 ..	9.2 5.2 5.2 6.8	8.0 5.3 4.2 ..	9.2 3.1 4.2 ..
Nagaland . . . . .	.. 42 219	.. 77 ..	.. 5.8 5.4	.. 10.7 ..	.. 7.1 ..
Orissa	203 214 682 1,725	157 269 698 ..	9.5 2.1 4.2 7.7	7.4 2.7 4.4 ..	8.5 3.0 3.1 ..
Punjab	293 307 1,333 1,200	360 604 1,235 ..	8.5 2.4 4.8 4.1	10.4 4.8 5.3 ..	11.3 3.9 4.8 ..
Rajasthan	215 370 659 315	173 320 639 ..	8.4 3.8 2.7 1.0	6.8 3.3 2.7 ..	8.5 3.2 3.0 ..
Tamil Nadu	902 299 1,067 3,000	1,040 450 1,229 ..	10.0 1.7 3.6 5.7	115 2.6 4.2 ..	12.1 2.4 3.5 ..
Tripura	9 31 67 275	5 28 35 ..	3.9 3.6 4.1 7.9	2.2 3.3 2.1 ..	3.1 2.9 2.2 ..
Uttar Pradesh	1,652 1,178 2,746 5,810	1,611 1,814 3,030 ..	12.7 4.6 5.5 6.0	12.4 7.1 6.1 ..	15.2 7.9 5.4 ..
West Bengal	584 449 1,634 1,314	597 430 1,280 ..	7.6 2.9 6.5 4.1	7.8 2.7 5.1 ..	8.0 2.7 4.2 ..
ALL STATES	11,725 7,190 18,351 32,061	11,399 8,940 17,377 ..	11.9 3.2 4.7 4.8	11.5 3.9 4.5 ..	12.6 4.2 4.2 ..
UNION TERRITORIES . . . . .	.. 110 598 861	.. 288 614 ..	.. 5.4 3.4 2.6	.. 14.2 3.5 ..	.. 4.8 3.1 ..

1	20	21	22	23	24
Manipur	83 101 47	70 87 ..	13.3 7.8 1.5	.. 6.7 ..	10.3 6.8 ..
Mysore	81 380 1,604 425	42 1,031 1,330 ..	1.2 4.7 6.4 1.2	0.8 12.7 5.3 ..	0.9 7.4 5.3 ..
Nagaland . . . . .	.. 83 140	.. 86 ..	.. 11.6 3.5	.. 12.0 ..	.. 7.9 ..
Orissa	684 1,851 420	1,044 1,820 ..	6.8 11.5 1.8	10.4 11.4 ..	11.6 8.1 ..
Punjab	71 1,031 1,342 150	68 899 1,124 ..	2.1 8.1 5.7 0.5	1.8 7.1 4.8 ..	1.9 5.9 4.4 ..
Rajasthan	10 640 1,780 320	9 1,150 1,449 ..	0.4 6.6 7.5 1.0	0.3 11.8 6.1 ..	0.4 11.5
Tamil Nadu	30 1,710 2,046 970	37 1,343 2,347 ..	0.3 9.8 7.0 1.8	0.4 7.7 8.1 ..	0.4 7.2 6.8 ..
Tripura	56 118 69	61 106 ..	6.6 7.2 2.0	7.2 6.4 ..	6.4 6.8 ..
Uttar Pradesh	2,660 5,578 1,115	2,644 4,839 ..	10.5 11.2 1.1	10.4 9.7 ..	11.5 8.6 ..
West Bengal	9 1,425 1,436 451	8 987 1,418 ..	0.1 9.2 4.4 1.4	0.1 6.4 5.6 ..	0.1 6.3 4.7 ..
ALL STATES	1,088 20,005 31,013 9,155	984 20,167 27,911 ..	1.1 8.9 8.1 1.3	0.9 8.9 7.1 ..	1.1 9.6 6.7 ..
UNION TERRITORIES	131 634 357	494 716 ..	6.4 3.7 1.1	24.4 4.1 ..	8.3 3.5 ..

N.B.

1. Under First Five Year Plan, Agriculture Production includes Minor Irrigation in respect of all States.
2. The figures of outlays of Community Development and Panchayats have been shown under 'Rural Development' in the First Five Year Plan.
3. In case of Fourth Plan, only outlays have been given as the figures of expenditure are not available for all the State.

4. Outlays for 1st and 2nd Plans in case of Gujarat are included in Maharashtra State.
5. The outlays and expenditure for 1st, 2nd and 3rd Plans in case of Haryana have not been given separately as the State emerged afterwards.
6. The outlays and expenditure for 1st Plan and outlays for 2nd Plan in case of Kerala have not been given separately as the State did not exist during the said period.
7. The outlays and expenditure for 1st and 2nd Plans in case of Nagaland have not been given as the State was not formed.
8. The outlays and expenditure in case of Union Territories for the First Plan have been included in the total of States.

Sources :

1. Outlays and Expenditure for First Five Year Plan-First Five Year Plan Review.
2. Outlays for Second Five Year Plan - Second Five Year Plan Document.
3. Expenditure for Second Plan - Third Five Year Plan Document.
4. Outlays for Third Plan - Third Five Year Plan Document.
5. Expenditure for Third Plan - Programme Administration Division, Planning Commission.
6. Outlays for Fourth Plan - Programme Adm. Division, Planning Commission.
7. Total outlays for State Plan - Programme Administration Division, Planning Commission.



Explanatory Note to Statement X

OUTLAY AND EXPENDITURE AND AGRICULTURE

Statement shows the figures for First, Second, Third and Fourth Plans under Major Irrigation, Minor Irrigation, Agricultural Production and Community Development and Panchayats. The items of Research, Fertilizers and Seeds are covered under the programme of Agricultural Production. Similarly, for the First Plan, no separate outlay is available for Minor Irrigation which was also covered under the programme of Agricultural Production.

Information regarding the diversion of plan allocation from one head to another is not available. This is a serious lacuna.

From the Statement, following inferences may be drawn:—

I. Major Irrigation

States:

(i) There has been decreasing trend in percentage allocation under this head from 21.5 in First Plan to 14.2 in the Fourth Plan.

(ii) As compared to the percentage allocation the percentage expenditure to total State outlay as well as State expenditure was lesser except during the Second Plan, the percentage expenditure to the total State expenditure (17.7) was more than the percentage allocation under this head.

(iii) The following table shows the maximum and minimum percentage allocation under this head during the four Plan periods:—

	All-States combined	Minimum	Maximum
First Plan	21.5	7.1 (M.P)	29.9 (Mysore)
Second Plan	17.0	1.1 (Assam)	27.1 (A.P)
Third Plan	15.1	1.9 (Assam)	36.0 (Rajasthan)
Fourth Plan	14.2	2.3 (Assam)	29.3 (Rajasthan)

It will be seen that, on the whole, minimum percentage allocation under this head was in Assam (Second, Third and Fourth Plans) and M.P. (First Plan) and the maximum percentage allocation was in Rajasthan (Third & Fourth Plans), Mysore (First Plan) and Andhra Pradesh (Second Plan).

Union Territories:

(i) Among Union Territories, the percentage of allocation was very small as compared to the percentage allocation on States.

(ii) As compared to the Second (1.2%) and Fourth (1.1%) Plans the percentage allocation during the Third Plan was very small (0.5%). However, the percentage expenditure to total U.P. outlay as well as expenditure was not only very high (1.8 & 1.5) to the percentage allocation during the Third Plan but it was also higher than the percentage expenditure in the Second Plan (1.0 & 0.3), whereas in the Second Plan, the percentage expenditure to the total U.T. outlay (10) as well as total U.T. expenditure (0.3) was lesser than the percentage allocation (1.2).

II. Minor Irrigation

States:

(i) There has been increasing trend in the percentage allocation under this head, from 2.8 in Second Plan to 7.6 in the Fourth Plan (Figures for First Plan are included under the programme of Agricultural production.).

(ii) As compared to the percentage allocation under this head, the percentage expenditure to the total State outlay as well as the State expenditure, was very high during the Second and Third Plans.

(iii) The following table shows the minimum and maximum percentage allocation under this head during the Second, Third and Fourth Plan periods:—

	All-States Combined	Minimum	Maximum
Second Plan	2.8	0.9 (Orissa)	4.4 (U.P.)
Third Plan	4.4	1.6 (J & K)	6.6 (U.P.)
Fourth Plan	7.6	2.1 (Nagaland)	10.1 (Bihar)

It will be seen that the percentage allocation was maximum in U.P. (Second and Third Plans), Bihar (Fourth Plan) and was minimum in the States of Orissa (Second Plan), Jammu and Kashmir (Third Plan) and Nagaland (Fourth Plan). But on an average (i) the maximum allocation during all the Plans was in Uttar Pradesh; however, the percentage allocation under the head had steeply increased in Bihar from 2.4 in the Third Plan to 10.1 in the Fourth Plan, and (ii) the minimum percentage allocation during all the allocation Plans (combined) was in Himachal Pradesh, Jammu and Kashmir and Orissa.

Union Territories:

(i) As compared to Second Plan (1.8), the percentage allocation in the Third (1.0) and Fourth (1.2) Plans, was on the lower side. During the Second Plan, the percentage expenditure to the total State outlay (4.8) was higher than the percentage allocation (1.8), however, the percentage expenditure to the total U.T. expenditure (1.6) was slightly lesser than the percentage allocation (1.8). But in the third Plan, the percentage expenditure to the total U.T. outlay (0.7) as well as U.T. expenditure (0.6) was smaller than the percentage allocation (1.0).

III. Agricultural Production

States:

(i) The percentage allocation under this head has been reduced from 11.9 in First Plan to 4.8 in the Fourth Plan; however, it was increased from 3.2 in the Second Plan to 4.8 in the Fourth Plan i.e. there has been increasing trend from Second Plan to Fourth Plan and decreasing trend from First Plan to Second Plan because figures for First Plan include the figures for Minor Irrigation and this explains how the percentage allocation for First Plan is higher than the remaining three Plans.

(ii) The position as compared with the percentage allocation under this as follows:—

(a) the percentage expenditure to the total State outlay was lesser during the First Plan (11.5) and Third Plan (4.5) but it was higher in the Second Plan (3.9); and (b) the percentage expenditure to the total State expenditure was higher in the First (12.6) and Second (4.2) Plans but it remained low during the Third Plan (4.2).

(iii) The following table shows the maximum and minimum percentage under the head during the four Plans:—

	All-India combined	Minimum	Maximum
First Plan	11.9	1.5 (Jammu & Kashmir)	20.6 (M.P.)
Second Plan	3.2	1.4 (Maharashtra)	5.2 (Mysore)
Third Plan	4.7	2.7 (Rajasthan)	8.2 (Kerala)
Fourth Plan	4.8	1.0 (Rajasthan)	7.7 (Orissa)

The percentage allocation under the head was (i) maximum in Madhya Pradesh (First Plan), Mysore (Second Plan), Kerala (Third Plan) and Orissa (Fourth Plan) and (ii) minimum in Jammu & Kashmir, (First Plan), Maharashtra (Second Plan) and Rajasthan (Third and Fourth Plans).

Union Territories:

(i) There has been decreasing trend in the percentage allocation under this head from 5.4 in Second Plan to 2.6 in the Fourth Plan, whereas among States, it has been increasing trend from Second Plan to Fourth Plan.

(ii) The position as compared with the percentage allocation under this head is as follows:—

- (a) the percentage expenditure to the total U.T. outlay was very high in the Second Plan (14.2) and was slightly higher in the Third Plan (3.5), and
- (b) the percentage expenditure to the total U.T. expenditure was lower during the Second and Third Plans, because of the rise in U.T. expenditure over the total U.T. outlay during these two plans.

*IV. Community Development and Panchayats**States:*

(i) There has been decreasing trend in the percentage allocation under this head from 8.9 in Second Plan to 1.3 in the Fourth Plan, but in the Second Plan the percentage allocation was increased from 1.1 (First Plan) to 8.9 however, there was sharp decrease in the Fourth Plan from 8.1 (Third Plan) to 1.3.

(ii) The percentage expenditure to the total State outlay as well as total State expenditure was more or less equal to the percentage allocation.

(iii) The following table shows the maximum and minimum percentage allocation under this head during the four Plan periods:—

	All-India combined	Minimum	Maximum
First Plan	1.1	0.1 (W. Bengal)	4.5 (Assam)
Second Plan	8.9	4.7 (Mysore)	12.6 (Madhya Pradesh)
Third Plan	8.1	4.4 (W. Bengal)	11.5 (Orissa)
Fourth Plan	1.3	0.5 (Punjab)	3.5 (Nagaland)

The percentage allocation was (i) maximum in Assam (First Plan), M.P. (Second Plan), Orissa (Third Plan) and Nagaland (Fourth Plan), and (ii) minimum in West Bengal (First and Third Plans), Mysore (Second Plan) and Punjab (Fourth Plan).

Union Territories:

(i) There has been decreasing trend in the percentage allocation from 6.4 in Second Plan to 1.1 in the Fourth Plan.

(ii) The position as compared to the percentage allocation, under this head is as follows:—

- (a) the percentage expenditure to the total U.T. outlay was very high in the Second Plan (24.4) and it was slightly high in the Third Plan (4.1), and
- (b) the percentage expenditure to the total U.T. expenditure was higher in the Second Plan (8.3) and was slightly less in the Third Plan (3.5).

Deficiencies in the Statement

(i) Investment allocation and expenditure figures in respect of the three annual plans have not been given.

(ii) At the end of the statement, combined figures of all States including the States of Hyderabad, Madhya Bharat, Bhopal, Vindhya Pradesh, Ajmer, Coorg, Pepsu,

Saurashtra, Kutch and Travancore-Cochin, have been given, whereas the figures for these States have not been shown either separately or in the respective States e.g. Hyderabad in A.P., etc.

Moreover, in the Second Plan the outlays have been given for each State by excluding the figures for these ten States whereas, the expenditure figures have been given for the revised States i.e. by including the figures for those States. Therefore, the figures for the percentage expenditure to the total outlay will not give the true picture.

(iii) Figures for individual Union Territories have not been given separately, whereas the total figures of all the Union Territories have been given.

Secondly, we cannot compare the combined figures of Union Territories, plan-wise, as there has been variation in the total areas of Union Territories from one plan to another. It would be better if we take the combined figures of States and Union Territories and not the separate figures for States and Union Territories, for comparison purposes-plan wise.

(iv) Figures for expenditure in respect of Fourth Plan (for two years) have not been given.

(v) Combined figures for all the four groups viz. Major Irrigation, Minor Irrigation, Agricultural Production and Community Development and Panchayats have not been given. If all the groups are combined, comparison of the figures plan-wise for Agriculture group as a whole, is possible.



ANNEXURE I TO STATEMENTS VI TO X
List of States and Union Territories

First Plan (1951-56)

<i>Part 'A' States</i>	1. Andhra Pradesh, 2. Assam, 3. Bihar, 4. Bombay, 5. Madhya Pradesh, 6. Madras, 7. Orissa, 8. Punjab, 9. Uttar Pradesh and 10. West Bengal.
<i>Part 'B' States</i>	11. Hyderabad, 12. Madhya Bharath, 13. Mysore, 14. PEPSU, 15. Rajasthan, 16. Saurashtra and 17. Travancore Cochin.
<i>Part 'C' States</i>	18. Jammu & Kashmir, 19. Ajmer, 20. Bhopal, 21. Coorg, 22. Delhi, 23. Himachal Pradesh, 24. Kutch, 25. Manipur, 26. Tripura and 27. Vindhya Pradesh.
<i>Other Territories</i>	1. Andaman and Nicobar Islands, 2. Pondicherry, 3. N.E.F.A.

Second Plan (1956-61)

<i>Part 'A' States</i>	Same as in First Plan.
<i>Part 'B' States</i>	Same as in First Plan. Jammu and Kashmir has also been included.
<i>Part 'C' States</i>	Same as in First Plan excluding Jammu and Kashmir which is shown under Part 'B' States.
<i>Other Territories</i>	Same as in the First Plan.

Third plan (1961-66)

<i>States</i>	1. Andhra Pradesh, 2. Assam, 3. Bihar, 4. Gujarat, 5. Kerala, 6. Maharashtra, 7. Madhya Pradesh, 8. Madras, 9. Mysore, 10. Orissa, 11. Punjab, 12. Rajasthan, 13. Uttar Pradesh, 14. West Bengal, 15. Jammu and Kashmir.
<i>Union Territories</i>	1. Delhi, 2. Himachal Pradesh, 3. Laccadive Islands, 4. Pondicherry, 5. Manipur, 6. Tripura, 7. Andaman and Nicobar Islands, 8. N.E.F.A. N.H.T.A. (Nagaland).

Annual Plan (1966-67)

<i>States</i>	1. Andhra Pradesh, 2. Assam, 3. Bihar, 4. Gujarat, 5. Punjab, 6. Haryana, 7. Jammu and Kashmir, 8. Kerala, 9. Madhya Pradesh, 10. Madras, 11. Maharashtra, 12. Mysore, 13. Orissa, 14. Rajasthan, 15. Uttar Pradesh, 16. West Bengal, 17. Nagaland.
<i>Union Territories</i>	1. Andaman and Nicobar Islands, 2. Chandigarh, 3. Dadra & Nagar Haveli, 4. Delhi, 5. Goa, Daman and Diu, 6. Himachal Pradesh, 7. Laccadive, Amindive and Minicoy Islands, 8. Manipur, 9. N.E.F.A., 10. Pondicherry, 11. Tripura.

Annual Plans 1967-68 and 1968-69

Same as under the Annual Plan, 1966-67, except the name of Madras State changed to Tamil Nadu.

Fourth Plan 1969-74

Same as above under the Annual Plan 1967-68.

A note on Employment Norms

Earlier plans used to give an estimate of the additional employment opportunities likely to be generated by the plan programmes on a global basis with a break-up between agricultural and non-agricultural employment opportunities. The Plan reports do not contain any further details other than the one mentioned above. For example, the Third Five Year Plan had estimated additional job opportunities of 14.5 million-10.5 million in non-agricultural activities and 4.0 million in agricultural activities to be generated as a result of plan investments. The draft outline on the Fourth Five Year Plan had estimated the additional employment generation as a result of investments proposed in the Plan at 18.5 million to 19.0 million—14.0 million in non-agricultural activities and 4.5 to 5.0 million in agricultural activities. However, the final document on the Fourth Five Year Plan has not made any estimate of additional job opportunities to be created as a result of plan programmes "in view of the considerable divergence of opinion regarding the appropriate definitions of and suitable yardsticks for measuring unemployment and under-employment in rural and urban areas and in view of the widely differing magnitudes of unemployment worked out on the basis of various sources, such as the Census, the NSS and the employment exchange data". It was with the intention of examining the validity of these estimates and other connected issues that Professor Dantwala Committee was set up.

In 1960-61 the Planning Commission, however, worked out certain norms of employment in terms of man-year per crore of total expenditure. These are all in terms of 1960-61 prices. These norms may not be valid in current day price situation. Even if we adopt certain deflators to bring them on par with 1960-61 prices, still their utility might be of doubtful value especially in view of substantial technological improvements that have taken place since 1961. These norms have, however, been shown in Appendix I & II merely for information. Appendix I gives the norms of employment in terms of man-years per crore of expenditure in the *construction phase* while Appendix II gives the same data in respect of *continuing phase*.

If one were to find out the investment-employment ratio without actually making any reference to the Plan programmes it might be possible to have some ratios on the basis of data contained in the Annual Survey of Industries. A useful exercise has been done by the Working Group on Financial and Fiscal measures which will presumably figure in their report.

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APPENDIX I

Statement showing the norms of employment in man-years per crore of total expenditure in the Construction phase.

Sl. No.	Head of Development	Norms suggested for use
1	Agriculture	5,200
2	Animal Husbandry, Dairying and Milk Supply	1,750
3	Forestry including Soil Conservation	8,000
4	Fisheries	2,260
5	Co-operation	700
6	NES and CD	1,830
7	Irrigation	7,000
8	Power	1,565
9	Village and Small Industries	1,700
10	Large and Medium Industries	1,700
11	Railways	1,870
12	Roads	10,435
13	Ports and Harbours	1,333
14	Civil Aviation, other Transport, P&T, other Communication and Broadcasting	800
15	Education	900
16	Health	870
17	Housing	5,000
18	Other Social Services	1,750

APPENDIX II

Statement showing the number of persons who may be employed with an expenditure of Rs. one crore in the different sectors and schemes includes in the Plan in the CONTINUING phase

Sl. No.	Name of Sector/Scheme	Norms suggested for use
I. Agriculture		
1	Agricultural production	1,250
2	Food production	1,900
3	Plant protection	900
4	Development of local manurial resources	1,400
5	Agricultural farms	500
6	Seed Multiplication farms	2,000
7	Seed certification scheme	1,500
8	Rat control	4,500
9	Jute Development	500
10	Tobacco extension service	1,500
11	Development of horticulture	4,000
12	Agricultural college	400
13	Strengthening of agricultural college	125
14	Agricultural information service	300
15	Agricultural school and village youth activities	1,200
16	Expansion of extension training centres	800
17	Field experiment/service	3,500
18	Agricultural Research	1,000
19	Minor irrigation	3,200
20	Land Development	1,700
21	Land reclamation	420
II.	Community Development and N.E.S.	500
III.	Village Panchayats	4,000
IV.	Animal Husbandry including Dairying and Milk Supply	18,00
V.	Forest and Soil Conservation	1,300
VI.	Fisheries (Research & Development)	2,160
VII.	Co-operation Warehousing and Marketing	1,020
VIII.	Irrigation and Flood Control	170
IX.	Power	105
X.	Multipurpose Projects	300
XI.	Industries and Mining	
1	Large and medium Industries	1,270
2	Factory Production	2,800
3	Hindustan Machine Tools	1,262
4	Pencillin Expension	2,500
5	Streptomycine Project	253
6	Tetracyclines Project	529
7	Reorganisation of National Instrument Factory.	1,659
8	D.D.T. Factory, Alwaye	275
9	D.D.T. Factory, Delhi	685

1	2	3
10	Hindustan chemicals-fertilizers factory	95
11	Sindri Expansion scheme	683
12	Central coal washery project Dugdo	76
13	Rourkela Steel Plant	53
14	Exploration of oil and natural gas	217
15	Kargil coal washery	149
16	Spun silk (Mill)	590
17	Industrial Estates and townships	500
18	Khadi development	8,000
19	Handloom development	3,000
20	Occupational Institute	4,000
21	Sericulture	10,000
22	Small scale industries	2,700
23	Ladies vocational guidance centre	1,700
24	Production-cum-training centre	532
25	Dyeing and finishing plant	970
26	Model workshops	1,381
27	Experimental workshops (Village Industries)	553
28	Village and small industries	3,000
<i>XII. Transport and Communications</i>		
1	Roads	1,000
2	Road Transport	2,500
3	Railways	170
4	Civil Air Transport	400
	(a) Work at Santa Cruz	230
	(b) Extension of Runway at Dum Dum	700
5	Ports	
	(a) Kandla Port and Gandhi Dham Township	150
	(b) Marine Oil Terminal	40
	(c) Reconstruction of Transit Sheds	10
<i>XIII. Education</i>		900
<i>XIV. Health</i>		634
<i>XV. Housing</i>		300
<i>XVI. Labour & Labour Welfare</i>		2,050
<i>XVII. Welfare of Backward Classes</i>		1,200
<i>XVIII. Social Welfare</i>		1,200
<i>XIX. Miscellaneous</i>		
1	Publicity and Propaganda	2,000
2	Department of Economics and Statistics	5,280
3	National Cadet Corps	3,300
4	Tourist Traffic	2,230
5	Broadcasting	4,330
6	Exhibitions	290